Daily Report

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Japan

Government May Increase Support for U.S. Troops

OW3101064990 Tokyo KYODO in English 0449 GMT 31 Jan 90

[Text] Tokyo, Jan. 31 KYODO—The Government is to consider voluntarily boosting its support for U.S. troops stationed in Japan, top government spokeswoman Mayumi Moriyama indicated Wednesday.

Commenting on the U.S. Annual Defense Report released Tuesday, Moriyama said the U.S. Congress has "strong expectations" of greater support for U.S. troops stationed in Japan. "This is the kind of issue that we should take a voluntary approach to," the chief cabinet secretary told a news conference. "The Japan-U.S. security agreement is indispensable to Japan, and it is important to ensure that it is effectively executed," Moriyama said.

The U.S. report described Japan as "the most critical geostrategic location in Northeast Asia," and called on Tokyo to shoulder a larger share of the costs required to maintain some 50,000 troops in Japan.

Moriyama expressed agreement with the U.S. analysis that the Soviet Union remains a major military power despite the reduced threat of surprise attacks, and said Japan would remain vigilant.

Moriyama told the regularly scheduled news conference she had no information on a report on the U.S. TV station CNN that Soviet President Mikhail Gorbachev plans to give up his post as general secretary of the Communist Party.

Vice Defense Minister Meets U.S. Officials

OW3101045490 Tokyo KYODO in English 0326 GMT 31 Jan 90

[Text] Washington, Jan. 30 KYODO—Japan's Vice Minister for the Defense Agency Seiki Nishihiro and U.S. officials have agreed that bilateral links are vital despite dramatic changes sweeping Eastern Europe and the Soviet Union, Japanese sources said Tuesday.

Nishihiro, visiting Washington since Sunday, attended a series of meetings with Paul Wolfowitz, undersecretary of defense for policy; Robert Kimmitt, undersecretary of state for political affairs; and Brent Scowcroft, President George Bush's national security adviser.

The American officials told Nishihiro the United States will continue a policy of nuclear deterrence, the sources said. They said Nishihiro and U.S. officials also agreed that Soviet military power, overall, has not declined despite troop cuts because weapon systems have been modernized.

The sources said the U.S. officials explained Defense Secretary Richard Cheney's proposal to close or cut operations at 69 U.S. military bases, including many overseas. There was no mention of U.S. bases in Japan, the sources said.

The sources also said the Defense Department plans a partial withdrawal of U.S. marines stationed in Okinawa and Iwakuni, Yamaguchi Prefecture. They added, however, that Japanese officials who attended the meetings do not expect such a withdrawal of U.S. forces any time soon.

Nishihiro also met with Cheney to convey Defense Agency Director General Juro Matsumoto's message that he will welcome his planned visit to Japan in February. Cheney is expected visit South Korea and the Philippines before arriving in Tokyo on February 19 or 20, U.S. sources said.

Nishihiro is to leave Washington Wednesday for Western Europe.

Okinawa Times Editorial on Harrier Crash

OW3001033290 Naha OKINAWA TIMES in Japanese 28 Jan 90 Morning Edition p 5

[Editorial: "Harriers of U.S. Forces Turned Out To Be Aircraft with Defects"]

[Text]**Comments on Sunday Morning**

"Something we were afraid of has finally happened." That is what people have been saying about the crash of a U.S. Marine Corps [USMC] Harrier attack jet. Of late, incidents and accidents involving the U.S. Forces have happened one after another. As a result, apprehension and indignation could not help being intensified among prefectural residents.

Full-Scale Training Has Just Started

One of the USMC AV8B Harrier II attack jets (vertical take-off and landing aircraft) crashed in the northern seas off Iheya Island, and a search for the missing crew is still under way.

The Harrier that crashed belongs to the 542d Attack Company, deployed at the USMC Iwakuni Base. After finishing training on Ie Island, the Harrier left Kadena Air Base and was on its way to the Republic of Korea.

The USMC built a Harrier training ground at the auxiliary airfield on Ie Island in November 1989. A 2-day full-scale exercise started on 24 January. The accident, right after the start of training, has once again brought out the danger involving exercises.

The U.S. Forces originally planned to build a Harrier training ground in the northern training area in Aha, Kunigami Village, and the project was actually started in January 1987. However, due to strong opposition from prefectural residents, particularly the Aha villagers, the project was suspended. At that time, the Prefectual Assembly adopted a resolution that said: "If a Harrier take-off and landing field is built in this area, the natural

environment will inevitably be damaged, and the environment will deteriorate because of noise and pollution. For that reason we will never approve any Harrier take-off and landing field project."

The U.S. military has not completely abandoned its plan to build a Harrier training field at Aha. Nevertheless, it decided to build the training field at the auxiliary airfield on Ie Island as a provisional measure, because the U.S. military was in a hurry to start Harrier training.

The Ie Village authorities approved of the Harrier training field project on condition of starting "compensatory projects," including one for a dam for agricultural purposes. Of course, there are villagers in Aha who are opposed to the training field project. In particular, those villagers who live in the neighborhood of the training field are strongly opposed to the project.

One villager of the group opposing the project made the following impressive remarks: "It is the Government's responsibility to improve the foundation for agriculture, including such programs as building dams for agricultural purposes, and such programs, of course, have to be promoted. It is unconvincing that such projects should be promoted as compensation for agreeing to a military base project."

The recent Harrier accident is pointed out in some quarters as indicating that "something inevitable has actually taken place," because two accidents involving Harriers did happen in the past. Nevertheless, the U.S. military has explained that the aircraft that crashed in the past was an old-model AV8A and that the old model aircraft has already been improved. Yet, it was an improved model AV8B Harrier that crashed this time.

Residents' Apprehension Turned to Reality

Reportedly, in addition to their ability to take off and land vertically and also after a short-distance take-off run, Harriers are capable of making a midair halt. In this connection, the aircraft is equipped with complicated machinery and it is very difficult to operate the aircraft. As a result, safety in operation has always been a problem.

Fortunately, the aircraft crashed in the sea this time. However, because accidents might happen anywhere, there is no guarantee that Harriers will never crash on Ie Island, where the training field is located. As serious fear over crashes has become a fact, apprehension that "there is no safety in training" has become intensified among villagers.

Such apprehension is not limited to Ie Village alone. The accident has also given a great shock to residents of Kadena Town, where the Harriers' relay base is located. Although Harriers are deployed at Iwakuni Base, the aircraft uses Kadena Air Base as a relay station when training is conducted on Ie Island, because Kadena is equipped with the necessary facilities.

Kadena Town has so far adopted resolutions protesting the Harriers' flight to Kadena Air Base on several occasions. "Harriers should never be allowed to fly here." That is the feeling prevailing among Kadena residents who have suffered from noise pollution for a long time now.

Attaching importance to the recent crash, the Foreign Ministry has lodged a protest with the U.S. Embassy in Japan and requested that the cause of the accident be clarified as soon as possible. Meanwhile, the prefectural government has submitted a request to the U.S. forces that training be suspended until repetition of accidents can be prevented and the cause of the accident is clarified. It goes without saying that the U.S. forces should suspend the 3-day Harrier training scheduled to start on 29 January.

It is reported that the U.S. Government has started studying a program of extensive reduction of U.S. forces in Japan, the ROK, and the Philippines. The reduction program is in line with the U.S. efforts to cut national defense expenditure, as well as to revise its strategy in Asia.

Removal of Bases is Prerequisite for Disarmament

Included in the program is withdrawal of part of the 12th Marine Aviation Group of the USMC deployed at Iwakuni Base. Reportedly, that aviation group is designated to give ground support to a USMC landing operation. Attached to the Group are F-18 fighter-bombers, A-6 ground attack aircraft, and planes capable of vertical take-off and landing.

Despite the fact that both the United States and the Soviet Union have their own domestic problems, such as tightened finance, we should welcome the disarmament trend, which has extended to the Far East and Asia. The withdrawal of the Marine Aviation Group from Iwakuni Base, even only a partial withdrawal, will certainly affect the U.S. military bases in Okinawa.

Nevertheless, experts on military affairs hold that personnel and equipment can be supplemented at any time if only basic functions of the bases are retained. In this connection, the removal of bases is a prerequisite for dealing with the incidents and accidents involving the U.S. forces.

Abe Says Only LDP Can Maintain U.S. Ties

OW3101005690 Tokyo KYODO in English 1006 GMT 30 Jan 90

[Text] Okayama, Jan. 30 KYODO—Former Foreign Minister Shintaro Abe on Tuesday said it was necessary to keep the LDP in power because it was the only party capable of maintaining close Japan-U.S. relations.

Referring to the current trade impediments talks between the two countries, Abe, a former secretary general of the ruling Liberal Democratic Party, predicted

that Japan-U.S. relations will emerge as the most urgent political issues after the February 18 lower house election.

In a speech during a campaign stop in Okayama in western Japan, Abe criticized the opposition parties and said they were not yet capable of tackling those issues.

In late March, the two countries will prepare an interim report on the structural impediments initiative talks which were launched last July to remove structural trade barriers between Japan and the U.S.

Abe said relations between Japan and the U.S. Would be aggravated if the Japanese side mishandles the issues. Abe also criticized the coalition government plan being discussed among four opposition parties, saying they had not yet agreed on basic policies, including the Japan-U.S. Security Treaty.

American Chamber of Commerce Criticizes Rebates

OW3101010790 Tokyo KYODO in English 1010 GMT 30 Jan 90

[Text] Tokyo, Jan. 30 KYODO—The American Chamber of Commerce of Japan (ACCJ) on Tuesday blasted Japan for its "rebate" system, or the corporate practice of volume discounts in the distribution market here, the Fair Trade Commission (FTC) said.

Lack of competition among big Japanese companies here is contributing to supporting the practice and maintaining barriers to foreign newcomers trying to penetrate slice of the market, the ACCJ charged.

The ACCJ's accusations were made during its meeting with a study panel of the FTC, which is probing the allegedly exclusionary Japanese business practices with an eye to improving foreign access to the Japanese market.

The meeting was arranged by the commission on behalf of the panel which is expected to make proposals in June on the issue, after which the FTC will prepare new guidelines on corporate practices here.

Along with the ACCJ, the panel also met with the Tokyo-based council of the European Business Community, which groups companies from the 12-member nations of the European Community (EC) and other European countries.

Under the so-called "rebate" system, Japanese makers financially compensate wholesalers for their services and loyalty.

The ACCJ also criticized corporate groupings, known as "keiretsu," citing an example in the automobile sector, according to FTC officials. U.S. companies based here cannot develop a sales channel because some Japanese dealers refuse to sell foreign-made cars out of loyalty to domestic automakers, it said. Such business practices "rooted" within Japan's market must be removed, the ACCJ argued.

Meanwhile, the European Business Community (EBC) said in the meeting that the sole import agency system is not the actual reason for the relatively high prices of exported products from Europe. In view of their recognition of recent reports in Japan suggesting that European exporters are overpricing their products, the EBC pointed out that Japan's policies on imported goods are adding more costs to them.

These included "complex" import procedures, costly warehousing, labelling requirements for certain products and the high cost of quality controls and analysis of such products as cosmetics and pharmaceuticals, the EBC said.

The sole import agency system is vital for European products to penetrate the Japanese market which often requires considerably large investment with "great" risks, they said.

The EBC also called on the FTC to differentiate more clearly between products actually imported from Europe and those produced in Japan under license agreements.

KYODO To Deliver Newsletter on Congress

OW3101004890 Tokyo KYODO in English 1024 GMT 30 Jan 90

[Text] Tokyo, Jan. 30 KYODO—KYODO said that it will tieup with a U.S. information services company, the Bureau of National Affairs (BNA), to distribute in Japan a newsletter published by the U.S. firm.

KYODO will begin facsimile service of major parts of BNA's daily report for executives on activities of the U.S. Government and Congress, on February 1.

The service, in English, will be offered almost simultaneously in Japan and the United States.

Bank of Japan Governor To Meet Greenspan

OW3101012590 Tokyo KYODO in English 1121 GMT 30 Jan 90

[Text] Tokyo, Jan. 30 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno will meet top U.S. monetary officials including Federal Reserve Board Chairman Alan Greenspan during his five-day visit to the United States beginning February 7, central bank officials said Tuesday.

The meeting, the first between financial officials in both countries since last September, is to enable an exchange of views over worldwide financial situations, the officials said.

Mieno, who will visit the U.S. for the first time since taking office last month, is also scheduled to meet Fed Vice Chairman Manuel Johnson and E. Gerald Corrigan, Federal Reserve Bank of New York president, they said. He will be accompanied by Executive Director Takeshi Ota and Chief Secretary Akira Nagashima of the central bank.

The monetary authorities are expected to reconfirm their stance toward the fluctuating bond and stock markets in

both nations as well as to coordinate their policy to stabilize the yen-dollar rate, they said.

In his stay in New York and Washington, Mieno is expected to detail Japan's financial situation following the 0.5 percentage point hike in the official discount rate by the central bank late December. He will also seek U.S. understanding about the BOJ's monetary policies, which will continue to give top priority to the stability of domestic prices, the officials said.

The governor is expected to express the BOJ's views that a further downtrend in the yen's value against the U.S. dollar will have a negative impact on the bilateral trade imbalance, they said.

Fed officials, in turn, will explain to Mieno about the state of the U.S. economy, which is believed to be heading for a recession, and about the financial policies of the U.S. central bank.

Chinese Hijacker Seeks Political Asylum

OW3101064390 Tokyo KYODO in English 0532 GMT 31 Jan 90

[Text] Tokyo, Jan. 31 KYODO—A suspected Chinese hijacker who faces repatriation carried out the hijacking as a last-ditch attempt to win political asylum, lawyers said Wednesday. The three Japanese lawyers representing Zhang Zenhai, 36, told a news conference they will demand that rather than being repatriated he should be recognized as a refugee.

The lawyers, Kazuyo Iwashiro, Yaeko Takeoka, and Masahiro Sumita, said they have notified the Tokyo High Public Prosecutors Office that they are representing Zhang, who is being held in connection with the hijacking of a Chinese airliner which landed in Fukuoka.

They quoted Zhang as saying in documents submitted to prosecutors that he participated in the prodemocracy demonstrations at Tiananmen Square in Beijing last year and the security authorities had kept watch on him since then. Zhang said in the documents that he had twice failed to escape China by land due to tight security, and then decided on the hijacking. The purpose of the hijacking was to seek political asylum, he said. "The Japanese Government should not repatriate me to China, but should give me freedom," Zhang was quoted as saying.

The lawyers said Zhang is likely to be executed in connection with the Tiananmen Square incident.

Zhang was detained after hijacking an Air China passenger plane bound from Beijing to New York on December 16 last year with 208 people aboard, including his wife and son, who were sent back to China along with the plane the following day. Taiwan and South Korea refused to allow the aircraft to land as requested by Zhang. Japan allowed to land it at Fukuoka Airport because its fuel was running low.

Zhang broke his pelvis when an attendant pushed him out of the aircraft after it had landed. He was transferred on January 11 from a Fukuoka detention house to Tokyo for a court hearing on China's request for his extradition.

Prosecutors must request the Tokyo High Court to make a decision on extradition within 2 months from the date he was detained.

Telecommunications Team To Visit Eastern Europe

OW2901131990 Tokyo KYODO in English 1206 GMT 29 Jan 90

[Text] Tokyo, Jan. 29 KYODO—The Japanese Government will send a mission to Poland, Hungary and Yugoslavia early in March for talks on the possibility of technological cooperation in telecommunications, officials said Monday. A formal decision on whether to send the mission is expected on Tuesday.

The group will be made up of 13 working-level officials and engineers from the Ministry of Posts and Telecommunications, the Japan Broadcasting Corp. (NHK), and the Export-Import Bank of Japan. Nippon Telegraph and Telephone Corp. (NTT) and Kokusai Denshin Denwa Co. (KDD), a Japanese international telecom giant, will also be represented.

The mission is due to leave on March 4 for an 11-day tour. While in the three countries, the team will mainly study the possibility of introducing the integrated services digital network (ISDN).

ISDN is capable of rapidly transmitting voice, data and images (pictures) simultaneously over a single digital circuit. Commercial ISDN services

Firm Plans To Open Stores in East Europe

OW2901140290 Tokyo KYODO in English 0737 GMT 29 Jan 90

[Text] Tokyo, Jan. 29 KYODO—Citizen Watch Co. is negotiating to open up shops selling its wristwatches and other goods in a number of East European countries, company officials said Monday. The shops will be funded by local firms and organizations, the officials said.

Citizen will take care of goods supplies, sales promotion costs and after-sales service, they said.

Taking into consideration the consumer purchasing power of the host nations, Citizen will offer primarily low-priced goods.

Negotiations to set up shops in East Germany, Czechoslovakia and other nations are currently under way. "However, it will probably take some time before any official decision can be reached," said Citizen President Michio Nakajima.

Citizen currently exports 20,000 to 30,000 wristwatches annually to East European nations through West

German marketing firms. Citizen expects to market as many as 100,000 wristwatches in the region this year.

Hungary Seeks More Joint Ventures, Investment

OW2801192890 Tokyo KYODO in English 0905 GMT 26 Jan 90

[Text] Tokyo, Jan. 26 KYODO—Hungarian ambassador to Japan Andras Forgacs called on Japanese firms Friday to follow in the footsteps of Suzuki Motors Co., which recently became the first Japanese company to sign a joint venture agreement with Hungary.

An agreement on a 20-billion-yen auto production plant was reached after five years of negotiations January 13, the eve of the first visit ever to Hungary by a Japanese prime minister.

Forgacs welcomed Prime Minister Toshiki Kaifu's visit last week to Budapest in the context of support extended by Western nations to stabilize the future of Europe. He also thanked Japan for a package of assistance to promote Hungary's economic modernization.

Japan pledged 500 million dollars in loan to Hungary through the government-backed Export and Import Bank of Japan, along with 25 million dollars to boost technical assistance to Poland and Hungary.

A Foreign Ministry technical cooperation survey mission will leave for Poland and Hungary on Saturday.

Conceding that Hungary's trade with Japan is still "negligible," Forgacs expressed confidence that bilateral trade relations can expand in a very balanced way. Japan ranks 12th among Hungary's investment and trade partners, Forgacs said. He said Hungary is not concerned even if Japan makes a lot of profits from business in Hungary "because that would indicate that Hungary's economic system is working well."

Since Japan has pledged its involvement in the economic reconstruction of Eastern Europe, criticism among some West European nations has grown that Japan is solely interested in expanding its presence in the region.

The ambassador, who has been in Japan sin September 1988, also brushed aside talk of a rivalry be een South Korea and Japan in Hungary's efforts to acquire trade and technology, saying the interests pursued by the two nations are not identical.

In stressing the importance of economic relations with Japan, Forgacs reiterated that capital, technology and managerial skills—are the things Hungary needs most from Japan. He also mentioned the tourism and pharmaceutical industries among those where cooperation is desirable.

OPEC Seeks Aid in Raising Oil Production

OW2901055390 Tokyo KYODO in English 0449 GMT 29 Jan 90

[Text] Tokyo, Jan. 29 KYODO—Dr. Subroto, secretary general of the Organization of Petroleum Exporting Countries (OPEC), urged Japan on Monday to provide funds to help OPEC raise production capacity in view of a predicted tightening of the crude oil market in the future, government officials said.

At a meeting in Tokyo with International Trade and Industry Minister Hikaru Matsunaga, Subroto said OPEC will need some 60 billion dollars in international aid to boost crude oil output by some six to seven million barrels a day by 1995 to meet global demand.

Although Subroto did not specify the amount of funds the organization wants Japan to contribute, officials of the Ministry of International Trade and Industry (MITI) said OPEC probably wants Japan, as a major oil-consuming country, to commit itself to providing a substantial part of such loans.

Matsunaga told Subroto that Japan's goverment will consider the request carefully, the officials said.

Citing OPEC's recent data on world supply and demand for crude oil, Subroto said global demand will increase to 56 million barrels a day in 1995 and 58 million barrels in 2000. Crude oil expected to be produced by non-OPEC nations will likely total 28 million barrels per day in 1995 and 26 million barrels in 2000, he said. The 13-nation OPEC will thus have to fill the gap in oil demand and the oil production level of the non-OPEC countries in 1995, Subroto was quoted as saying.

Subroto, who arrived in Tokyo Sunday, will attend the fourth symposium of Pacific energy cooperation on Monday and Tuesday. During his stay, he will also meet government officials and those in oil-related industries.

The Indonesian secretary general also proposed to Matsunaga to hold a workshop between working-level officials from OPEC and from nations in the Asia-Pacific region to exchange data on oil supply and demand in the future. OPEC is holding a similar meeting with the European Community (EC), Subroto said.

Matsunaga replied that the proposal will be studied, the officials said.

Subroto will leave Japan on Saturday.

No New Revision of Consumption Tax Planned

OW2901045690 Tokyo KYODO in English 0403 GMT 29 Jan 90

[Text] Tokyo, Jan. 29 KYODO—The government is not considering a second revision of an unpopular consumption tax that helped lead the ruling party to defeat in House of Councillors elections last summer, top government spokeswoman Mayumi Moriyama said Monday.

Asked about a proposal by Shin Kanemaru, a senior official of the ruling Liberal Democratic Party (LDP) to review the tax, Moriyama said the goverment's revision plan unveiled last December is the best option.

"The government believes that the revision decided earlier is, at the present time, the optimum plan. We are proceeding with plans to present it to the Diet," Chief Cabinet Secretary Moriyama said.

Kanemaru, in a campaign speech Sunday for House of Representatives elections slated for February 18, suggested Sunday the name of the 3 percent consumption tax be changed, and the revenues from it be used exclusively for social welfare programs.

The LDP revision plan unveiled last December calls for putting a priority on using the revenues for welfare programs.

Prime Minister Toshiki Kaifu, in separate remarks to reporters, said he expects the LDP's revision bill to be submitted to the Diet, but he said there is room to incorporate views of the ruling and opposition parties when the tax bill is debated in parliament.

"There are various views in the party... We don't plan to be hard-headed about this," he said.

An opposition bill to abolish the tax, which came into effect last April, was killed in the Diet last year.

Police Search Radicals' Hideout, Seize Bombs

OW2901114890 Tokyo KYODO in English 0801 GMT 29 Jan 90

[Text] Tokyo, Jan. 29 KYODO—Police searched a leftist radicals' hideout in the suburbs of Tokyo early Monday morning and seized home-made bombs and many bomb parts.

Police said they discovered the hideout of Kakurokyo, one of the major Japanese radical groups, in Omiya, Saitama Prefecture. They seized eight bombs, 15 others in the process of completion and some five kilograms of explosives.

Kakurokyo has mounted a campaign against the enthronement ceremony for Emperor Akihoto scheduled for November.

Police also arrested Hideki Hojo, 38, a key radical activist at the hideout. Hojo has been on a wanted list on suspicion of murder in connection with incidents in 1973.

An immediate reason given for his arrest was that he used a false name when he was hired by a book bindery in Saitama Prefecture, police said.

Press Club Mulling Election Debate Formula

OW3001141590 Tokyo KYODO in English 1237 GMT 30 Jan 90

[Text] Tokyo, Jan. 30 KYODO—The Japan National Press Club failed Tuesday to finalize a formula for the televised election debate among leaders of the ruling and four opposition parties scheduled for Friday, but is expected to agree on details of the debate format Wednesday, club officials said.

A press club committee meeting on the debate agreed to ban reporters from addressing questions to the debate panel, they said.

The committee was unable to agree on details for the discussion, including specific debate topics.

The press club panel is expected to spell out the final plan for the debate, which will be nationally televised a day before the campaign of the February 18 House of Representatives election officially gets under way, officials said.

Prime Minister Toshiki Kaifu, who serves as president of the ruling Liberal Democratic Party, Takako Doi, chairman of the Japan Socialist Party, Komeito Chairman Koshiro Ishida and Eiichi Nagasue, chairman of the Democratic Socialist Party, will take part in the three-hour debate to be hosted by the press club.

Press Club To Host TV Election Debate

OW2901060590 Tokyo KYODO in English 0522 GMT 29 Jan 90

[Text] Tokyo, Jan. 29 KYODO - The Japan National Press Club agreed Monday to host a nationally televised debate by leaders of five political parties on February 2, party officials said.

Representatives of the ruling Liberal Democratic Party, the Japan Socialist Party, Komeito, the Japan Communist Party and the Democratic Socialist Party visited the Japan National Press Club on Monday and asked it to stage the forum.

Toyo Shiraki, secretary general of the club, accepted the request, and party officials said they will leave the management of the debate, including the time and the place, up to the club.

The TV debate, the first of its kind in 30 years, will be held on the eve of the official announcement of the February 18 elections for the House of Representatives.

Peace Groups Protest Nakasone's Monument

OW3101004590 Tokyo KYODO in English 1025 GMT 30 Jan 90

[Text] Hiroshima, Jan. 30 KYODO—A liaison council of peace groups Tuesday appealed to Hiroshima City to dismantle a monument carrying a poem composed by

former Prime Minister Yasuhiro Nakasone because of his promilitary positions and involvement in the recruit scandal.

Representatives of the council, made up of 16 peace groups, including the Hiroshima Peace Committee, brought a list of 10,000 additional supporters who endorsed their move to remove the monument.

The monument was built near the Hiroshima Peace Park in November 1987 by the Hiroshima Futaba Lions Club to commemorate Nakasone's three appearances at annual peace memorial services in the city.

Policies conducive to the outbreak of nuclear war advocated by Nakasone, prime minister between November 1982 and November 1987, ran counter to the peace administration maintained by the city, said Hachiro Hashimoto, leader of the peace committee.

Nakasone advocated military expansion to make Japan an "invincible" aircraft carrier," and told elderly survivors of the 1945 atomic-bombings that aspirations to live could heal any disease, council members charged.

Nakasone was also involved in the recruit influence-peddling scandal, they said.

The council previously brought to the city 3,000 signatures collected nationwide in support of its call for the monument's removal.

Mongolia

Foreign Journalists Attend Ulaanbaatar Briefing

OW3101045690 Ulaanbaatar International Service in English 0910 GMT 26 Jan 90

[Text] Deputy Prime Minister of Mongolia, Byambasuren; department head of the Mongolian People's Revolutionary Party [MPRP] Central Committee, Tsahilgaan; and head of department of the Presidium of the Great People's Hural of Mongolia, Chimid, on Wednesday 24 January met with correspondents of REUTER NEWS AGENCY, British newspapers THE INDEPENDENT and THE DAILY TELEGRAPH, French newspaper LE DERNIER NOUVEAU D'ALSACE, and Hong Kong newspaper SOUTH CHINA MORNING POST accredited in Beijing, and who came to Mongolia as tourists, as well as the Ulaanbaatar-based correspondents of the Soviet TASS Agency, Chinese XINHUA, and the GDR ADN news agencies at their request.

Mr Byambasuren briefed the correspondents on the cause and prospects of the ongoing renewal in Mongolia, designed to speed up the country's development level and better the people's well-being. Mongolian Government officials provided detailed answers to questions by foreign correspondents about the leading and guiding role of the MPRP, the progress of the work on streamlining the political system, the new draft law on elections, the prospects of Mongolia's social economic development, her position in the Council for Mutual Economic Assistance, the combination of central planned economy with market orientated economic mechanism and open door policy, as well as about the Mongolian Democratic Union [MDU].

Foreign journalists who came to Mongolia as tourists have also met some members of the Coordinating Council of the MDU, exchanging views on the activity of this organization and its future plans.

Scholars Rewriting Party's 'Accurate' History

OW2901142590 Ulaanbaatar International Service in English 1200 GMT 29 Jan 90

[Text] Mongolia's scholars of the Institute of Social Sciences at the Mongolian People's Revolutionary Party Central Committee are engaged in rewriting the accurate history of the party. This has become a possible task in the new political thinking, democracy, and openness and the access to earlier closed archives. The historians are working to fill in the blank spots in history, restore the forgotten names of historical figures who contributed to the victory of the 1921 people's revolution, founding of a sovereign state, and to socialist construction in Mongolia. Reestablishment of truth is facilitated also by a free exchange of views between scholars, revolutionary and party veterans.

The Institute of Social Sciences has had over 30 such open discussions which resulted in the compilation of a two volume "Biography of Mongolian Party and State Figures" up to the year 1940. It is expected to be published by the opening of the new academic year 1990-1991.

UMS Joins Asia-Pacific Students' Association

OW2901201090 Ulaanbaatar MONTSAME in English 1707 GMT 29 Jan 90

[Text] Ulaanbaatar, 29 Jan (OANA-MONTSAME)—The Union of Mongolian Students (UMS) has joined the Asia-Pacific Students' Association (APSA) at its ninth general conference held in Bangkok (Thailand). Thirty-five national students' organisations from 28 countries of the world including Mongolia as well as some international organisations participated in the work of the conference. By the majority of the forum participants the national students' unions of Bangladesh, Union of Myanma [Burma], and a number of other countries have got a full-fledged status of the APSA membership together with the Union of Mongolian Students

Talking with a MONTSAME correspondent, L. Bold, vice-chairman of the Union of Mongolian Students, who took part in the work of the conference said that joining of the UMS to the membership of the Asia-Pacific Students' Association is of big significance not only for

the MPR [Mongolian People's Republic] but for other socialist countries, because Mongolia was the first socialist country which has been admitted to this organisation. "Our union will exert every effort to promote the working out of problems related with the development of students' movements in the countries of Asia and the Pacific for the benefit of democracy and progress", said L. Bold. "It also opens an opportunity for our union to promote trust and mutual confidence between the youths and students of different countries and to develop cooperation with the students' unions of this region", L. Bold underscored.

Party Committee Greets Bulgarian CP Congress

OW3001144790 Ulaanbaatar International Service in English 0910 GMT 30 Jan 90

[Text] The Mongolian People's Revolutionary Party Central Committee has sent a message of greetings to the delegates of the 14th special congress of the Bulgarian Communist Party. The message expresses the confidence that this high forum of the Bulgarian Communists will play an important role in deepening the ongoing reconstruction and renewal process in Bulgaria and will further develop the country.

The Mongolian People's Revolutionary Party Central Committee has voiced the confidence that fraternal relations and cooperation between the two parties will be further strengthened and deepend in working with new ideas of socialism's renewal which is gaining ground in both the countries.

North Korea

North-South Political Talks Open in Panmunjom

SK3101062790 Pyongyang Domestic Service in Korean 0400 GMT 31 Jan 90

[Text] According to a news report filed by reporters Kim Myong-song and Han Kwang-to from Panmunjom, the sixth preliminary talk for North-South high-level political and military talks was held at Tongilgak located in our side's area at Panmunjom.

Paek Nam-chun, head of our side's delegation, spoke at the talk.

[Begin Paek recording] Today, all fellow countrymen ardently hope that today's talk would be actively advanced so as to remove the state of isolation between the North and South and to produce a breakthrough for the independent and peaceful reunification.

The fact that the national division that began in the forties has continued even today, into the nineties, can never be tolerated in view of national independence or in a humanitarian view. In addition to the deplorable fact that our people, who have shared the same blood vessel, have had no choice but to live in separation for as long as nearly half a century, what could be more tragic than for the national division to continue into the next century without ending before the end of the nineties?

Conscientious compatriots in the North, South, and abroad are trying to be ahead of the others in vigorously knocking on the door of reunification because a sense of national mission will not allow them to continue to live in separation and will not allow them to hand over a divided fatherland to the next generation.

Precisely at this time, our respected and beloved President Kim Il-song advanced a new proposal for peaceful reunification to pull down the barriers of division between the North and South and to realize free travel and complete opening and for the purpose of settling these issues, to hold a North-South top-level conference in which the heads of the authorities and the leaders of the political parties will take part.

This new proposal of ours is a truly important proposal that has indicated a road capable of removing the practical obstacle laid on the road to reunification and of opening a decisive phase for independent and peaceful reunification. We are convinced that a most practical way of alleviating fellow countrymen's sufferings caused by the division and making breakthrough toward reunification by uniting the strength of all the fellow countrymen lies in realizing this epochal proposal.

In order for the North and South, which have lived for decades amid confrontation and antagonism, to advance on the road leading to reunification within the shortest period of time, the wall keeping the North and South isolated and cut off from one another should be broken down before anything else. The concrete wall that runs across the middle of the country is a symbol of national division and the confrontation between the North and South as well as an artificial roadblock not seen in any other country of the world.

On top of the painful fact that there exists a Military Demarcation Line in the country, the existence of an artificial wall cannot but be said to be national shame. The concrete wall built in the area south of the demarcation line should be pulled down without fail. To deny the existence of a concrete wall that actually exists is nothing but an expression of an intention not to pull down the barriers between the North and South as long as possible.

If the South side pulls down the concrete wall, the removal of the barbed wire fence erected in the area of our side can simply be taken care of. The concrete wall must be removed and the North and South should realize free travel and complete opening.

Free travel should never be closed or restricted to anyone in the true sense of the word. The opening between the North and South should be a complete one in all spheres of politics, economy, and culture.

When the barriers between the North and South are pulled down and free travel and complete opening are

realized, it will be possible to achieve a consensus of the will and united efforts of the entire Korean people, repel intervention of outside forces and achieve the independent and peaceful reunification of the country.

This question is not a simple one that can be settled merely by administrative treatment of the authorities in the North and South. Rather, it is a political issue that can be realized only through a serious discussion and decision reached by the heads of the authorities and the leaders of the political parties representing the political circles in the North and South.

This is the foundation on which we have put forward a proposal for holding of a North-South top-level conference in which the heads of the authorities and the leaders of the political parties take part.

People at home and abroad are now watching with keen attention to see every move made by the politicians in Korea and, in particular, the attitude of your side's authorities toward our new epochal proposal. We think it is now high time for responsible politicians of your side to make a decision whether or not to sit with us in the political negotiations with us to produce a forward-looking phase for the reunification of the country.

Now that your side has been mentioning the removal of the barrier of division in another country and has expressed welcome to our proposal for free travel and full-scale opening, I think there will be no obstacle which hinders your side in coming to this conference site. Expressing the hope that the consultative conference will be successful without fail, we have already sent to the authorities and the leaders of political parties of your side a letter proposing holding the preliminary meeting in Panmunjom for the convocation of a consultative conference, which was adopted at the meeting of representatives from the government and political parties of the Republic.

I express the expectation that your side will actively cooperate so that a consultative conference of the authorities and the leaders of political parties in the North and the South, in which the highest-level persons of the North and the South participate, can be convened at the earliest possible date to discuss ways to remove the barrier between the North and the South and to realize free travel and full-scale opening between them.

Delegates of the South side: Proceeding from our firm and invariable will to open a favorable situation for reunification this year at any cost we have made all possible efforts to conclude the ongoing preliminary meeting at the earliest possible date and, thus, to convene full-dress talks, as well as to convene a new consultative conference between the North and the South. If we conclude the preliminary meeting and, thus, convene at the earliest possible date North-South high-level political and military talks with the premiers of the North and the South as head of each side, this will, without doubt, greatly contribute to opening a new turning point for reunification this year.

In fact, today our preliminary meeting has almost reached a final, critical point. Therefore, the people at home and abroad urgently want full-dress talks convened on an early date so that the North-South relations, which have been under a state of blockade and confrontation, can enter a new track.

Regretfully, however, at this crucial moment your side, by announcing a plan for the "Team Spirit-90" joint military exercise, has disappointed all of our nation. As we clearly elucidated last year, the "Team Spirit-90" joint military exercise is a preliminary way to attack us, the other side of dialogue, on the ground and sea and in the sky and a nuclear war test to destroy our nation and to turn our territory into ashes by launching a preemptive surprise nuclear attack in the frontal and rear areas.

No one can predict when and where the amphibious operations, the airborne troops' landing operations, the river-crossing operations, the surprise attack operations, the nuclear attack operations, and the special operations which are to be conducted during the "Team Spirit-90" joint military exercise from February to April this year, will be turned into an actual combat action to attack the northern half of the Republic.

If a war breaks out in our country, it would soon develop into a global nuclear war. At a time when the spirit of all of the nation for reunification is ever increasing, when dialogue is being held between the North and the South, and, in particular, when the preliminary meeting between the authorites has reached its final stage, the authorities of your side, running counter to dialogue and reunification, have announced the plan for the provocative "Team Spirit-90" joint military exercise. We cannot but deplore this attitude of the authorities of your side.

That your side, by announcing in advance the plan for the "Team Spirit-90" joint military exercise, is attempting to make the whole of South Korea the site for a large-scale war exercise against us clearly shows that your side is seeking the very dangerous policy of confrontation, war, division, and [word indistinct], not seeking dialogue, detente, peace, and reunification. Plainly speaking, the "Team Spirit-90" joint military exercise is a grave obstacle which not only destroys the atmosphere of North-South dialogue, but also endangers the holding of North-South high-level political and military talks that we are seeking.

We emphasized many times that such large scale war exercises as the "Team Spirit" joint military exercise cannot be compatible with dialogue. Such a war exercise, which brings the situation to the brink of war, is against the purpose of our dialogue to explore the path to peace and, under such dangerous circumstances, the future of our dialogue can never be guaranteed.

In particular, your side's hypocritical attitude toward dialogue; participating in dialogue on one hand and threatening the opposing side of dialogue by staging war exercises on the other makes us regretful. While saying at

the table of dialogue that the state of political and military confrontation must be removed, the state of confrontation is intensified to an extreme extent and the acute atmosphere of war is created by persistently staging the large scale "Team Spirit-90" joint military exercise behind our back. To anyone, there is incompatibility between word and deed and is an act of discredit against the opposing side of dialogue.

Under these circumstances, we think we can never trust what you promise at the table of dialogue and we can never hold trustworthy dialogue with your side.

As for the threat of southward invasion which your side talks about, this is nothing but an excuse designed to justify the war (?adventurism). Today, no one would believe it. We made it clear a long time ago that we have no desire to invade the South and we have clearly demonstrated this in practice. In the fall of 1986, we diverted 150,000 troops of the people's army from their active service to peaceful socialist construction. At the same time, in 1987, we unilaterally reduced the people's army by 100,000 and discharged them. Your side as well must be fully aware of these facts.

Today, even our surrounding socialist countries are drastically reducing their troops and a step is being taken to liquidate medium- or shorter-range nuclear missiles deployed in the Asian region. There is absolutely no reason that your side should worry about the threat of southward invasion and, instead, we are under the threat of a reckless nuclear war. This is a stark reality.

We attach importance not to word but to deed. Without deed, word is nothing but empty talk. In attempting to stage the "Team Spirit" joint military exercise this year, too, we can clearly see that your side has not given up the idea of settling matters not through dialogue but through the means of confrontation and war.

However, today, the situation at home and abroad has greatly changed. At the same time, it is not 1970's when the "Team Spirit" joint military exercise stated.

At present, the voices demanding the demolition of the wall of division and the opening of the door to reunification are growing stronger with each passing day in the North and South, and the people's desire for reunification is becoming even more intense after entering the nineties.

Such being the case, why should our people continue to be obstinately obsessed with the idea of confrontation, continue to be antagonistic and resentful and to compete for superiority in strength and why should the dangerous war exercise be staged with foreign forces to cause the self-destruction of the nation?

The days are gone when matters are settled through the means of confrontation and war and by means of strength and the question of our nation can never be settled by strength.

If your side, proceeding from the old idea of confrontation, tries to hold dialogue with the stand of strength by staging the "Team Spirit" joint military exercise on a large scale, this can destroy the dialogue itself and this can become a matter of serious concern for the peaceful reunification of the country as well.

In view of the self-esteem of the nation and its self-consciousness as well, we think that the "Team Spirit" joint military exercise must not be allowed. Allowing foreign forces to step in the internal affairs of the nation and staging war exercise with the foreign force against compatriots are the disgrace of the nation.

The present era is the era of independence. All people desire to be freed from oppression and to live an independent life and all nations desire to be set free from the subjugation of foreign forces and to live an independent life. Amid this torrential trend, the peoples of many countries have achieved sovereignty and independence and, today, there are almost no people in practice who have been deprived of their soil by foreign force and who live the life of colonial slavery. Such being the case, why should only South Korea still call for the foreign force's protection and commit a reckless act of throwing the nation into the catastrophe of nuclear war and turning the sacred soil of the fatherland into nuclear devastation by introducing the foreign troops and even nuclear weapons?

Compatriots are compatriots and foreign forces are foreign forces. If (?one truly loves the nation), he must repel the aggression of foreign force hand in hand with compatriots, and must place the interest of the nation in the first place and defend the self-esteem of the nation, instead of being toyed with by the foreign force and doing damage to the interest of the nation.

Concluding our talks quickly, holding the high-level North-South political and military talks, and creating the favorable atmosphere of dialogue are an urgent demand which cannot be put off any longer.

Proceeding from this standpoint, recognizing that a stumbling block to preliminary talks should be first, we proposed that prior to discussion about the question of practical procedure, the question of discontinuation of the "Team Spirit 90" joint military exercise should first be discussed and settled.

In addition, I proposed that in these preliminary talks, your side take the following measures for a discussion about the discontinuation of the "Team Spirit 90" joint military exercise:

First, a measure for immediately discontinuing the "Team Spirit 90" joint military exercise, to be conducted jointly with the United States, should be taken.

Second, a measure for immediately withdrawing U.S. forces and military operation equipment, which have

been introduced into the boundary of the Korean peninsula for the "Team Spirit 90" joint military exercise, should be taken without condition.

Third, a measure that a military exercise should be conducted only with the South Korean troops without any participation of foreign forces should be taken, in case that a military exercise will be conducted at least. This is a three-point proposal.

Our three-point proposal is the most reasonable and realistic urgent measure aimed at eliminating the danger of a nuclear war, which is heavily hanging over the nation, and at creating a favorable atmosphere for various dialogues.

Whether or not the South side has the intention to take these measures will be a yardstick showing whether or not it wants North-South talks, development of our preliminary talks, and detente.

I expect that your side will prudently receive our proposals and that your side will positively respond to these proposals.

At the same time, we had proposed to your side convocation of a North-South top-level conference involving the heads of the authorities and the leaders of the political parties of the North and the South with a view to pulling down the barrier of division and to realizing the free travels and a full-scale opening between the North and the South. I will make mention of one or two things regarding problems arising in connection with this proposal. According to a report, we have heard about unsound remarks made by your side's authorities since we proposed this conference. Is it true that your side says the concrete wall, which really exists, does not exist? We know that the height of the concrete wall is equivalent to that of a large-scale hydroelectric power station dam.

This aside, who on earth can believe your side's remarks that there is no a concrete wall?

Your side should admit the existence of the concrete wall, because the concrete wall really exists. Only then can sincerity be built.

At the same time, in connection with the question of a form of the conference, your side has ignored a North-South top-level conference involving the heads of the authorities and leaders of the political parties of the North and the South, which we had proposed. And, your side has claimed that the form of conference be discussed in summit talks [Chongsang hoetam]. Thus, your side has substantially opposed the convocation of this conference. The form of a conference can be fixed according to form of questions which should be settled.

If your side has the intention to pull down the wall of the division and to realize free travel and full-scale opening, I claim that your side should come out to the conference which we had proposed. [end recording]

NODONG SINMUN Commentary Denounces Merger

SK3101054090 Pyongyang KCNA in English 0525 GMT 31 Jan 90

["Reactionary Offensive of Fascist Separatist Forces"—KCNA headline]

[Text] Pyongyang January 31 (KCNA)—The traitor No Tae-u called Kim Yong-sam and Kim Chong-pil to "Chongwadae" on January 25, where he described the despicable "new merged party" as a "political party aspiring after reunification," while putting on a show of advocating "democracy, prosperity and reunification." This was a ridiculous jargon for concealing their anti-national separatist scheme.

NODONG SINMUN says this in a commentary today.

Noting that although the South Korean puppets are advertising "a political party aspiring after reunification," clamouring about reunification, they have, in actuality, never ceased from acts of obstructing reunification, following the U.S. imperialists' "two Koreas" policy, the news analyst condemns their "political restructuring" through the merger of three parties as a product of the "two Koreas" plot to freeze the division of the country.

The news analyst goes on:

One of the chief aims of the "political restructuring" by the No group is to establish an anti-communist, anti-reunification confrontation system through alliance with the Kim Yong-sam and Kim Chong-pil groups which have so far acted as a waiting-maid and a bridesman in opposing reunification, considering that the trend of the times toward reunification could not be blocked with the unstable four-party structure.

Hence, they are foolishly seeking to to counter the forces of democracy and reunification in South Korea and us with allied forces by turning the present four-party structure of "weak ruling party and strong opposition" into a two-party structure of "strong ruling party and weak opposition".

To set up such a structure for anti-communist confrontation and permanent division is an anti-national, anti-reunification criminal act.

With nothing, however, can they arrest the trend of the times and the desire of the whole nation to remove the barrier of division and open the door to reunification.

Intensified repression and reactionary offensive will only give rise to a stronger resistance and result in precipitating the destruction of the fascist separatists.

South Merger Termed 'Political Coup d'Etat'

SK2701121590 Pyongyang Domestic Service in Korean 2112 GMT 24 Jan 90

[Report on commentator's article form 25 January NODONG SINMUN: "A New Political Coup D'etat Engineered by Those Who Are Forsaken by the People"]

[Text] On 22 January, No Tae-u, Kim Yong-sam, and Kim Chong-pil, who are known as presidents of South Korea's Democratic Justice Party [DJP], the Reunification Democracy Party [RDP], and the New Democratic Republican Party [NDRP] respectively, agreed on forming a party called the Democratic Liberal Party by merging their three parties in an emergency tripartite meeting held at Chongwadae and then jointly made public the decision in a press conference.

It has been reported that the working-level teams of the three parties will soon start working on the process of uniting the three parties, will hold an inaugural convention within 6 months, will elect the president of the new party, chairman of the leadership council, and members of the leadership council, and will adopt platforms and regulations at the convention.

According to news reports, those responsible for the merger of the three parties have already put in circulation that No Tae-u would be the president of the new united party, Kim Yong-sam would be chairman of the leadership council, and Kim Chong-pil and Pak Tae-chun and others would be members of the leadership council.

The South Korean ruling bunch quarters has also officially made public their intention to amend the Constitution to adopt a parliamentary cabinet system and form a nationwide cabinet.

The situation developing in South Korea under the pretext of the so-called political realignment is very unusual and ominous.

In retrospect, never before have the ruling and opposition parties merged to form a single party, although the opposition parties have on occasions united with each other to confront the ruling party in power in South Korea. The merger of the DJP, RDP, and NDRP is an outlandish event unprecedented in the 40-year history of South Korea's political structure.

However, there is nothing to be astonished about. The game of playing with the merger of the three parties, nothing but a product of a crisis that faced the U.S. imperialists and the No Tae-u ring in their fascist colonial military dictatorship, is another political coup d'etat designed to prolong and keep the fascist military dictatorship in place by rallying the extremely right-wing reactionary forces behind them, as well as a greatly wicked anticommunist offensive against reunification and democratic forces.

In practice, the establishment of a democratic government and a new political structure led by democratic forces, including the people from all walks of life, after removing from the political circles the Yusin remnants and the Fifth Republic, which have, following the U.S. imperialists, committed indelible crimes before the nation, and after liquidating the current fascist military dictatorship, should be made a precondition for an appropriate political realignment in South Korea. However, the way the latest political realignment has been effected in South Korea is exactly the opposite of this.

The latest political realignment in South Korea has been carried out on the basis of the United States uniting its lackeys and controlling them according to its aggressive demand and in its interest. Since 1986, when the mass struggle for independence, democracy, and reunification drastically began to surge, the United States has begun seeking to stabilize the political situation through the formation of a great conservative alliance. It was none other than the United States that helped the No Tae-u ring to render the democratic forces disivie and establish the dictatorial Sixth Republic in the wake of the June resistance.

It was also none other than the United States that, when the National Assembly elections had resulted in creating a political situation in which the ruling party was reduced to a minority party and the opposition parties had obtained majority in the legislative body, thereby giving rise to an unstable political situation, preached a compromise between the rival parties and finally persuaded the rival parties to unilaterally end the issue of liquidating the Fifth Republic's legacies.

It was, in fact, a precursor to the latest game of playing with the political realignment. Nevertheless, even after this, the U.S. imperialists were unable to get rid of the political unrest that was becoming serious.

The worshipers of the chuche idea and the national democratic forces aspiring for independence, democracy, and reunification are now rapidly expanding and becoming stronger among the people from all walks of life, including the workers and peasants, in South Korea, beyond the scope of the students, youth, and dissidents.

The movement toward forming a progressive party, the workers' movement to form the national council of labor unions, the reorganization and realignment of the National Council of University Student Representatives by the students and youth, the teachers' struggle to defend the National Teachers Union, and the advent of new dissident organizations in South Korea are an indication that the struggle by the forces engaged in the national democratic movement will become more organized and mass-oriented.

In particular, the South Korean people who are encouraged by our new epochal proposal for national reunification to pull down the barriers of national division and realize free travel and complete opening between the North and South, after renewing their desire and will to

open the door to reunification in the (?nineties), have begun warming up their spirit of independence and reunification from the beginning of the new year.

It is the United States that feels uneasy more than anybody else in the face of such realities. This has persuaded the United States to set about merging the three parties, with the current fascist military group as its main axis, and aligning it with the right-wing conservative forces, all with a view toward subduing the ever-expanding and ever-strengthening national democratic forces in South Korea and achieving stability in its colonial rule there.

The game of playing with the merger of the three parties, which was effected, finally, by the United States, which felt compelled to do so, is nothing but an act of holding together its perpetrators forsaken by the people with loose strings. The merger of the three parties in South Korea is equivalent to a gathering in one place of (?deer) with broken legs.

As for No Tae-u's DJP, the mainstream of the accursed Fifth Republic, it is known to the world as a party of treason and sell- out, the object of the South Korean people's resentment, as a murderously fascist party, and as a party of division and confrontation, for it has manufactured the Sixth Republic through unprecedented fraudulent and corrupt elections and committed enormous crimes before the country and people through its fascist military rule, which is more dictatorial than the Fifth Republic, and through its irregularities and corruption.

Kim Chong-pil's NDRP, a group of the mainstream and remnants of Yusin, which should have been buried along with Pak Chong-hui, who perished about 10 years ago, has managed with great pains to come into being again thanks to the United States and is now denounced as a semi-ruling party playing the role of a best man for the DJP and as a whore who sleeps with the DJP without getting married.

The RDP is no more than a private party of Kim Yong-sam, who has turned his back on public opinion, sought to realize his wild personal ambitions for power, and walked on a tightrope between the ruling and opposition parties after amassing assets by deceiving the people under the slogan of democratization.

This demonstrates that the three merged parties, even though they are called such different names as the DJP, RDP, and NDRP, are groups of the same color when they are engaged in committing treason and treachery and that they are ones who cannot even keep the current dictatorial power in place without depending on their U.S. grandfather or defend their vested interests on their own.

By attempting to rally such weak forces behind itself and continue dominating and subjugating South Korea based on its support, the United States reveals that it is in a very stressful position and that its 40-year colonial rule in South Korea has no future.

Also, the political realignment through the merger of the three parties is the product of the fascist military group's scheme to stay in power longer. South Korea is scheduled to hold elections of deputies to local assemblies this year, elections of leaders of the local autonomous governments next year, and then general elections and presidential elections in the ensuring period. No Tae-u's DJP has no hope of winning in these elections if the political structure led by the current four parties continues, nor can it hope for the possibility of coming into power in the future.

The DJP is nothing but a regional party from a corner of Kyongsang Province, which barely managed to garner 36 percent of the votes in the past presidential election and 34 percent of the votes in the general elections.

What is more, the DJP is in no sense ready to go through another competition in elections without formally changing its name or reorganizing itself as its existence is jeopardized by internal feuds and friction, while continually being denounced by the people for the tyranny and misrule it has committed since its taking office. As a result, the DJP has had no choice but to stage a political farce of merging the three parties according to a scenario about a great conservative alliance provided by its U.S. masters.

Kim Yong-sam's RDP and Kim Chong-pil's NDRP, in a pitiable plight of having only a weak supporting force for them, colluded with the DJP in a grand conservative alliance, the scenario of which has been provided by the United States, and are attempting to realize their political ambition. In so doing, the three parties, the DJP, the RDP, and the NDRP, each dreaming of holding power, staged a political gamble of boarding the same boat. In such a way as to attract and be attracted to each other, they formed a new merged party copying Japan's Liberal Democratic Party to share power among themselves, to exercise monopoly in the National Assembly, to revise the current Constitution as they please, and to make a cabinet system as they please, thereby forming a long-term power system in South Korea. This proves that this realignment of political circles is a political coup d'etat to institute thorough fascist politics run by a one-party rule that gives no power to anyone but itself and that does not allow democracy.

It is a traitorous act of selling out the blood of the students and people shed for the democratization of the South Korean society that Kim Yong-sam, who once vowed to oppose fascist dictatorship as president of the RDP, which once advocated democratization, should have joined hands and conspired with the dictator No Tae-u in this fascist political coup d'etat. Kim Yong-sam has made himself the enemy of democracy, putting dirt on his face with his own hands, by turning away from the people's long-cherished desire for democratization and colluding with the fascist dictator in Chongwadae.

Not to be overlooked is the fact that the so-called realignment of political circles is the product of the two Koreas plot to fix the present state of division of the country against the entire nation's aspiration for reunification.

It is an unstoppable trend in our country today that the parties, factions, and people of all strata of the North and the South wish to contact and visit each other and achieve the reunification of the country with the united strength of the nation. Despite the reality in which the cause of reunifying the country is becoming a pan-national cause with the participation of the entire nation, the No Tae-u ring, under the instigation of the United States, is desperately attempting to maintain the monopoly of dialogue and the discussion of reunification and to limit dialogue to one channel, so as to fabricate two Koreas by aggravating the North-South relations into those of confrontation and division. They are foolishly attempting to alter the previous four-party structure in which the opposition camp held the majority seats in the National Assembly into a two-party structure in which the ruling party holds the majority seats in the National Assembly in order to confront South Korea's reunification forces with a united force and to confront us as well.

At a time when the strength of the nation should be united for the realization of the nation's long-cherished desire and when the people of the North and the South should be united, this anti-national confrontation and divisive political structure is fabricated. This is an act against dialogue, peace, and reunification. After all, the system brought about by the three- party merger based on the U.S. imperialists' scenario is a system of subjugation and distortion aimed at continuing the colonial rule in South Korea challenging the world-wide trend of independence. It is a system of military dictatorship aimed at obliterating human rights and democracy against the South Korean people's demand for democratization. It is a sophistry for perpetual division aimed at throwing a wet blanket over the entire nation's aspiration for reunification and building the wall of division higher.

Because of this anti-national realignment of political circles, a new grave political dark age is approaching South Korea. Under the political structure of this fascist three-party merger, the South Korean people will have to have their aspiration for national independence, democracy, and the peaceful reunification of the country trampled upon more ruthlessly, and an even more grave obstacle will be created in their anti-U.S. struggle for independence and their struggle for democracy and peaceful reunification.

The so-called realignment of political circles involved such a great danger filled with crime that those who worked on it had to push ahead with the plot of the three-party merger in the manner of an intrigue. The people of the world remember that when Pak Chun-kyu, then DJP chairman, mentioned a realignment of political circles a short while ago, No Tae-u, keeping a stright face, said that he did not have such an idea and fired him and that he promised, when the issue of the realignment of political circles was mentioned at a meeting with an opposition party president, that there would not be an artificial realignment of political circles. Because it was neither rightful nor fair to stage a realignment of political circles retracting a promise made only yesterday, the political coup d'etat was committed sneakingly, employing a tactic of blitzkrieg and surprise attack.

Because the purpose of this political coup d'etat is so anti-national and anti-reunification, and because its tactic is so wicked and clumsy, those who committed the crime are embellishing the so-called new merged party, which is nothing but a politicos' dirty illegitimate child, with such fine phrases as "the establishment of a new political order," "a great unity of the middle-of-the-road democratic forces," and "founding of a people's political party." However, feculence will give off an offensive odor even if it is wrapped in a silk cloth. It is quite natural that as soon as the announcement on the three-party merger was made, the figures of all strata, students, and people of South Korea consistently denounced it as a new political coup d'etat and another Yusin, calling for the expulsion of the three parties. The U.S. imperialists and the South Korean puppets are attempting to find a way out of the serious political crisis and achieve a stable political situation through the 22 January realignment of political circles, but it cannot become a prescription for opening a way out for them.

Even though they staged a farce of a conference of the so-called representatives of political circles among themselves in a back room and made a new merged political party without asking for the opinion of the people and put a "middle-of-the-road" mask on it, putting up a signboard of "democracy" and "freedom," it is a military fascist group and an anticommunist splittist group by its constitution. It can in no way be anything else.

No fascist dictator in history has beaten the strength of the popular masses. The farce of the fascist realignment of political circles cannot stop the general trend of the times heading for independence, democracy, and reunification in South Korea, and this powerful trend will accelerate the ruin of the fascist dictators.

Under the new fascist political structure, the South Korean people will never benefit nor do they have anything to hope for from it. The South Korean people from all walks of life and figures of all strata should resolutely oppose and reject the fascist realignment of political circles for the independent and democratic new politics, new system, and new life, and launch themselves as one into the struggle to check and frustrate to the end the farce of founding the new party.

All who desire national independence, democracy, and reunification, whether they belong to the ruling or opposition parties, should not side with the anti-national,

antidemocratic, and anti-reunification realignment of political circles but part with it and join the genuine forces of national and democratic movement.

The United States recorded another shameful page in its cursed history of aggression against South Korea by playing the role of a midwife in the realignment of political circles. The United States should squarely see the aspiration and will of the South Korean people desiring to live independently and withdraw its hand of domination and interference from South Korea.

The No Tae-u, Kim Yong-sam, and Kim Chong-pil group should revoke the declaration of the three-party merger as demanded by the South Korean people and step down from power and from politics.

The political development in South Korea will be decided by the South Korean people, the masters of the South Korean society.

U.S. Program to 'Militarize Outerspace' Alleged

SK3101113790 Pyongyang KCNA in English 1046 GMT 31 Jan 90

["U.S. Imperialists' Adventurous Star Wars Program"—KCNA headline]

[Text] Pyongyang January 31 (KCNA)—NODONG SINMUN today says the U.S. imperialists are pressing ahead with the "Star Wars" program to gratify their wild ambition for world supremacy at any cost.

Bush recently cried that the "Star Wars" program would be continuously stepped up and the program should not be hindered by arms reduction, the paper says, and goes on:

His utterances, reflecting the aggressive military policy of the United States at present, betray his ulterior intention to hasten nuclear arms buildup and push ahead with preparations for space war behind the scene of arms reduction.

The U.S. imperialists are now more persistently resorting to the "Star Wars" program for the purpose of building a space weapon system and carrying out a preemptive nuclear strike at strategic targets in different positions so as to easily realise their wild ambition for world supremacy.

The U.S. imperialists consider the program to be the most effective means to fight socialism. This is why Bush sets himself dead against the stop of the "Star Wars" program, while talking much about the reduction of other nuclear weapons. As a matter of fact, the U.S. proposal for nuclear arms cuts does not mean that its ambition for nuclear arms has changed and it stands for peace. The United States tries to make up for the gap resulting from partial nuclear arms reduction by pushing ahead with the program.

The "Star Wars" program of the U.S. imperialists is further increasing the danger of a nuclear war on the globe.

The manoeuvrings of the U.S. imperialists to militarize outer space are creating greater danger of a nuclear war on the Korean peninsula, in particular, the paper says, adding:

The U.S. imperialists and the South Korean puppet clique are turning South Korea into a major base system for the program to militarize outer space, that is, part of the space communications and control system.

South Korea has turned into an overseas base of the U.S. imperialists for satellites attack. This tells that the Korean peninsula may become a theatre of the U.S. imperialists' "Star Wars" program.

Official Calls for 'Team Spirit' Cancellation

SK3101111290 Pyongyang KCNA in English 1056 GMT 31 Jan 90

["Team Spirit 90" Plan Must Be Cancelled At Once—KCNA headline]

[Text] Pyongyang January 31 (KCNA)—The U.S. imperialists and the No Tae-u military fascist clique must withdraw at once the plan to stage the aggressive "Team Spirit 90" joint military exercises, pull down the concrete wall, a symbol of division and confrontation, and respond to our fair and aboveboard negotiation proposal without delay, said Pak Su-tong, chairman of the Central Committee of the Union of Agricultural Working People of Korea, in a statement today.

The announcement of the plan to stage the massive nuclear war gamble by the U.S. imperialists and the South Korean puppets is a premeditated and provocative act of aggression to lead the situation on the Korean peninsula to a war by bringing it to the extreme pitch of strain and it glaringly reveals the ulterior intention of the splittists to prolong the tragedy of national division, he stressed.

The United States which had pretended to "welcome" the North-South dialogue and to be interested in the relaxation of tension on the Korean peninsula and its peaceful reunification and clamoured before the world about "disarmament", "detente," "end to the cold war" and "advent of an era of peace" openly announced in broad daylight the plan for the provocation of an aggressive nuclear war gravely threatening peace on the Korean peninsula and the rest of the world, he noted and added:

This proves that the aggressive nature of the imperialists does not and cannot change, though all things of the world change with the passage of times, and vividly shows that the United States is the worst warmaniacs [as received] still persisting in the policy of "strength" and a despicable group of murderers whose means of existence is aggression and plunder.

Moreover, the No Tae-u military fascist clique who had prattled that they "welcome" free travel and full-scale opening, are scheming to stage a war game against fellow countrymen in the North, in collusion with the U.S. imperialists. This never-to-be-condoned treachery to the nation cannot be justified with anything.

The U.S. imperialists and the South Korean puppets should not run about feverishly in their manoeuvrings for a war of aggression against the North but should look straight at the world today being swept by a torrential flow of independence and act with discretion.

Pyongyang Protests Aerial Exercise, Espionage

SK3001154790 Pyongyang KCNA in English 1524 GMT 30 Jan 90

[Text] Pyongyang January 30 (KCNA)—The U.S. imperialist aggressors brought into South Korea nuclear-capable "F- 16" fighter bombers, "A-6" assault planes and "AV-8" VTOL planes from their overseas aggression bases in Japan and the Pacific region from January 28 to 29 and let them fly for long hours in the sky above the area near the Military Demarcation Line on a frantic exercise of striking targets on the ground under the simulated conditions of an invasion of the North as part of the adventurous "Team Spirit 90" joint military exercises, according to military sources.

On January 29 and 30, the U.S. imperialists mobilized more than 40 nuclear-capable "F-16" fighter bombers belonging to the 7th Airforce of the U.S. imperialist aggression forces stationed in South Korea under their plan of the "Team Spirit 90" war gamble and carried out an intensive bombing exercise reminiscent of a surprise preemptive attack on the major targets in the northern half of Korea.

In addition to this, at around 15, January 29, they brought to the airforce bases of the U.S. imperialist aggression forces in South Korea several formations of "C-130" and "C-141" large transport planes carrying the aggression forces, combat equipment and operational materials to be hurled into the "Team Spirit 90" from the U.S. mainland and their overseas aggression bases in Japan and conducted an exercise of deploying them in the operational area.

Meanwhile, at around 10 a.m. January 30, the U.S. imperialists introduced Okinawa-based "E-3" AWACS into the sky over South Korea and let it fly for long hours in the air above the area near the Military Demarcation Line and commit a vicious aerial espionage on the targets in the central area and inland of the northern half of Korea.

The case of the U.S. imperialist aerial espionage against the northern half of Korea with the mobilization of various types of reconnaissance planes in January numbers more than 200 or double that in the same period of last year.

The aerial war exercises and aerial espionage aiming at the invasion of the North reveal the bellicose nature of the U.S. imperialists as warmaniacs.

Paper Denounces ROK-South African Ties

SK3101052690 Pyongyang KCNA in English 0517 GMT 31 Jan 90

["Despicable Collusion"—KCNA headline]

[Text] Pyongyang Januajy 31 (KCNA)—NODONG SINMUN today comments on the expansion of economic relations and close cooperation in the military field between the South Korean puppets and the South African racists.

According to data available, the volume of trade turnover between them adds up to hundreds of millions of dollars every year and the greater part of it is occupied by strategic materials. Furthermore, South Korean firms are active in South Africa. This was confirmed by the South African newspaper THE CITIZEN.

By strengthening their tie-up with the South African racists the South Korean puppets strip themselves bare as a shock force and henchmen for imperialist aggression like them, the news analyst says, and goes on:

The collusion between the South Korean puppets and the South African racists did not begin yesterday or today. The No Tae-u puppet clique go through the motion of "criticizing" apartheid in South Africa and "supporting" the Southern African people's struggle for national independence and building of a new society, but act quite contrary to this in actuality.

For the South Korean puppets to strengthen their tie-up with the South African racists when the latter is making desperate efforts to maintain apartheid under the backing and patronage of the imperialists is an act of blocking the process of peace, sovereignty and independence in Southern Africa and a challenge to the world progressive people and the frontline states of Africa.

This also shows that the South Korean puppets are imperialists' stooges who are zealously helping their operation to save the racists in South Africa.

The South Korean puppets are a diehard defender of racism and heinous enemy of the Southern African people. Their acts deserve denunciation by the world people.

If they continue to strengthen collusion with the South African racists, it will precipitate their own destruction.

Papers Mark Diplomatic Relations With Vietnam

SK3101101690 Pyongyang KCNA in English 1005 GMT 31 Jan 90

[Text] Pyongyang January 31 (KCNA)—The establishment of diplomatic relations between Korea and Vietnam 40 years ago was a reflection of the will and

desire of the two governments and peoples to strengthen bonds of friendship and unity and develop the relations of cooperation on the road of achieving the cause of socialism against imperialism, say NODONG SINMUN and MINJU CHOSON today.

NODONG SINMUN says in a signed article:

The valuable friendship between the Korean and Vietnamese peoples was provided by the great leader of our people Comrade Kim Il-song and Comrade Ho Chi Minh respected by the Vietnamese people.

Under the leadership of the party the Vietnamese people are now actively striving to implement the decisions of the sixth congress of the party and convincingly advancing along the road of socialism they have already chosen.

We wish the Vietnamese people great success in their efforts to strengthen the unity of the party and build socialist Vietnam better according to the testament of comrade Ho Chi Minh and to carry out the "three-major economic plan" and the main targets of 1990 for the state socio-economic development.

The author of a MINJU CHOSON article says:

We believe that the friendly and cooperative relations between the two countries will consolidate and develop day by day in the interests of the two peoples to accomplish the cause of socialism.

Foreign Affairs Head Cables Congolese Minister

SK3101111890 Pyongyang KCNA in English 1053 GMT 31 Jan 90

[Text] Pyongyang January 31 (KCNA)—Kim Yong-nam, minister of foreign affairs of the Democratic People's Republic of Korea, exchanged messages of greetings with Antoine Ndinga-oba, minister of state and minister of Foreign Affairs and cooperation of the People's Republic of the Congo, on the 25th anniversary of the establishment of diplomatic relations between the two countries.

Saying that in the past 25 years the two peoples have supported and cooperated with each other on the road of building a new independent and prosperous society against imperialism and colonialism, Kim Yong-nam in his message expressed the belief that the friendly and cooperative relations between the two countries will further consolidate and develop.

Antoine Ndinga-oba in his message noted that the friendly and cooperative relations between the two countries have satisfactorily developed in the basic interests of the Congolese and Korean peoples in the past 25 years.

He supported once again the new proposal of the Korean Government to convene a North-South consultative meeting for national reunification and expressed the hope that the relations that exist in all fields of the two countries will grow stronger.

Guinea's Ambassador Meets With Kim Yong-nam

SK3101113990 Pyongyang KCNA in English 1052 GMT 31 Jan 90

[Text] Pyongyang January 31 (KCNA)—Kim Yong-nam, vice-premier and minister of foreign affairs, today met and conversed with Abdourahamane Sow, Guinean ambassador e.p. to Korea, who paid a farewell call on him.

Soviet Academician Supports Kim Il-song Proposal

SK3001005990 Pyongyang Domestic Service in Korean 1200 GMT 11 Jan 90

[Text] Mikhail Titarenko, director of the Far East Institute under the Soviet Academy of Sciences, held an interview with a KCNA correspondent in Moscow, in support of the new save-the-nation proposal put forward by the great leader Comrade Kim Il-song in his New Year address.

Mikhail Titarenko said: President Kim Il-song said it is imperative to take a decisive save-the-nation step to realize the cause of Korea's reunification. Representing the desire of the entire nation for reunification and its urgent requirements, he held that the North and South should remove the barriers between them, ensure free travel, and totally open the doors between the North and South.

In order to remove the concrete wall, ensure free travel between them, and to fully open the door, President Kim Il-song proposed that a North-South top-level consultative conference involving the heads of the authorities and leaders of the political parties be held and that multisided talks, including the talks between the authorities of the North and South and parliamentary talks, be actively promoted. This proposal is an epochal way aimed at removing obstacles in the way of Korea's reunification and at opening a door for reunification.

We hold that the Korean issues should be settled through dialogue by the Korean people themselves, not by foreign people.

He then stressed that the U.S. forces should be withdrawn from South Korea, that nuclear weapons in South Korea be abolished, and that U.S. military exercises on the Korean peninsula and Far East regions be stopped.

Saying that the Soviet people are always paying deep attention to the situation on the Korean peninsula, he denounced the U.S. Administration for continuously deploying its troops and nuclear weapons in the South area on the Korean peninsula.

Paper Carries Kim Il-song's 1959 Work

SK2501050490 Pyongyang KCNA in English 0441 GMT 25 Jan 90

[Text] Pyongyang January 25 (KCNA)—NODONG SINMUN today carries "On Party Work" and "On the Work of the People's Committees," first two parts of

"Tasks of the Party Organizations of North Hamgyong Province," an immortal classical work of the great leader president Il-song.

This work is a historic speech delivered by him at an enlarged plenary meeting of the North Hamgyong Provincial Committee of the Workers' Party of Korea on March 23, 1959.

In the work he gives precious teachings which serve as highly important guideline in the problems of principle in the work of the Party and the People's Committees and the work of all sectors of the national economy such as industry, agriculture and fishery.

President Il-song first elaborates on the party work.

Analysing shortcomings revealed in the work of party organizations in North Hamgyong province, he sets forth tasks to rectify them quickly and bring about a turn.

President Il-song says:

A serious defect in the work of the party organization of North Hamgyong Province is that the party's policies and the decisions of the Party Central Committee have not been fully made known to the people as far as some party organizations and localities are concerned, nor have they been carried out satisfactorily in many respects.

This defect is manifested in no small measure particularly in the implementation of the party's agricultural policy and in the failure to eliminate parochialism in the party's personnel and ideological work.

Factionalists, parochialists or those who are imbued with nepotism do not subject themselves to the leadership of those who are faithful to the party. They say yes in front of them, but act differently behind their backs.

As far as I have now found out, factories and enterprises have fulfilled all the tasks we assigned to them when we came here in 1954. The Kim Chaek Iron Works has carried out almost all the tasks set in 1954, and the coal mines and other enterprises, too, have fulfilled the tasks assigned to them by the party. But strangely enough, the tasks set forth in the agricultural sector have not been carried out well. What does this show?

The industrial sector is, for the most part, guided by the central authority directly and the class consciousness of the workers is high. Therefore, those elements who play double games cannot hold their own here. Even if some element may shelve the party's instructions and thus attempt to obstruct their fulfilment, he cannot run away with it, since the workers are fully informed of what the party wants them to do. However, the parochialists ensconced in the agricultural sector did not work devotedly, and that is why this phenomenon has appeared today.

As you know, parochialism and nepotism are the hotbeds of factionalism. They are the roots of factionalism. When they grow, they will engender it. That is why parochialism and nepotism should be thoroughly rooted out.

The most important task in the work of the party organization of this province is to wipe out the poisonous consequences of parochialism and nepotism. An uncompromising struggle should be waged against those who outwardly pledge support but are actually betraying us.

Our party is not a reformers' party, but a Marxist-Leninist party, a militant party which fights against capitalism and for the victory of socialism and communism. In order to be able to overthrow capitalism and obtain victory for socialism and communism the party needs an iron unity, based on the principle of democratic centralism.

The whole party should move united with one mind and one will in accordance with the instructions and decisions of the party Central Committee, the general staff of the party. Within the party there can be no hanging back when the leadership orders to go "forward", or running to the right when it orders to turn "to the left". Only anarchists act that way.

Democratic centralism in the party means that the party takes into account the opinions of the masses of its members, adopts lines and policies and elects its leadership, which directs the struggle to carry out those lines and policies in a unified way.

No party member has the right to violate the instructions of the party Central Committee, which represent the will of all party members. That is why we should fight resolutely against factionalism, parochialism and nepotism.

The conference of our party held last year exposed and smashed the remnants of factionalism which had historically been formed in the working-class movement of our country. We should by no means tolerate parochialism and nepotism, hotbeds of factionalism. If we weaken the struggle against them, our party will not become a militant one.

Furthermore, every party member should cultivate the habit of studying the party' policies profoundly and carrying them out unconditionally.

Policies set forth by the party Central Committee are an embodiment of the opinions which have come up from below. They represent the will of all the party members—they represent the organizational will of the whole party. Therefore, it is the duty of a party member to study the party's policies and decisions thoroughly and carry them out unconditionally.

Next, the party's personnel affairs should be improved.

First of all, in improving this work, stress should be placed on thoroughly doing away with the tendency to parochialism and nepotism.

This tendency in personnel affairs is the root cause of factionalism.

It is impermissible to select cadres on the basis of family connections or provincialism or group considerations.

The party's first criterion for the selection of cadres is loyalty to the party. To be loyal to the party means fighting determinedly to carry out the party's policies. A person who only shouts mansei is by no means loyal to the party. One is loyal to the party if one works well, not shouting mansei, and fights to implement the party's policies thoroughly even at the cost of self-sacrifice.

Cadres should, as a matter of course, be picked out from among functionaries who are loyal to the party and are competent. To be competent means to have a wide range of knowledge, including technical knowledge, and a strong enterprise and energy.

The first criterion for a cadre is his loyalty to the party and the second is his ability. The best thing, of course, is that the cadre be both faithful to the party and competent.

We need party cadres who are, above all, loyal to the revolution, who support the party single-heartedly and stand firm in their loyalty without the slightest vacillation, under any circumstances, no matter which way the wind may blow.

It is an important task of the party to select cadres correctly and educate and help them at all times.

If cadres are merely appointed and not educated, any of them may commit errors and fall under the influence of bad ideas.

The personnel work means to correctly select, promote and allocate cadres and properly educate and help them at all times.

The education of cadres is always accompanied by checkup. Having allocated a cadre, you should always be concerned about him and look after him lest he should go wrong, call him in, talk with him or give him short courses, and even go to help him yourselves. You should understand him, teach him work methods and raise his ideological and political levels. It is most important to continue such education after his promotion.

Another question concerning personnel affairs is to pick out many workers who have been working in the key branches of industry for many years because North Hamgyong Province is a region with a large number of workers.

Cadres of working-class origin have a strong organization and revolutionary ability; they are valiant and have a deep hatred for imperialism and capitalists. They do not vacillate in a difficult situation and are loyal to the revolution.

The next important thing in party work is to work with the intellectuals. The Korean intellectuals in former days were intellectuals of a colonial country. It is true that many of them came from landlord or capitalist families and lived in affluence before. But they, too, were subjected to national oppression and discrimination under Japanese imperialist rule. Therefore, they had an anti-imperialist revolutionary spirit.

Moreover, after liberation they did not go over to the side of imperialists, landlords and capitalists, but came over to the side of the people. The important thing is that the intellectuals came over to the side of the people after liberation.

At that time there were two roads for the intellectuals to take. One was to follow the landlords and capitalists and the other was to follow the working class. In North Korea a people's power was set up with the working class as the core and in South Korea a puppet regime centring around the landlords and capitalists. At that time, most of the intellectuals in North Korea did not want to serve imperialists, landlords and capitalists, and remained in the northern half, determined to serve the working class and the people. Furthermore, many intellectuals of South Korea came over to North Korea.

Together with us they took part in confiscating the lands of landlords, with us they took part in confiscating the factories of the capitalists and pro-Japanese elements, and for three years they took part in the war against U.S. imperialism. During the Fatherland Liberation War they were trained revolutionarily through arduous struggles. Particularly after the armistice, under very difficult circumstances, they worked with us in reconstruction for the party, for the working class, for the country, for the socialist revolution.

We should only unite with them and march ahead towards communism hand in hand with them.

Nevertheless, some comrades are not willing to trust those who work well, bringing up different objections as to their social status.

Narrow-minded attitudes towards the intellectuals are a tendency of sectarianism.

Our party has absolute trust in the intellectuals who fight on our side. Of course, they may be influenced by their family origin, and sometimes guilty of vacillation and liberalism.

For this reason, since immediately after liberation the party central committee has persistently educated and transformed the intellectuals, and incessantly endeavoured to join hands with them and boldly admit them to the party to make them communists and march hand in hand with them in the building of communism. This policy is still unchanged.

In future, too, the party should continue to educate our intellectuals and instill the working-class spirit in them, thus training them into unyielding revolutionaries who, like the working class, are courageous in the revolution and can forge ahead confidently under any adversity.

The working class should look to the intellectuals for their knowledge and skills, and the latter should look to the former for their revolutionary spirit, strong organization and immense loyalty to the party, thus uniting and cooperating with each other in the struggle for communism.

Work with the intellectuals should be improved. Party organizations should steadily intensify the education of intellectuals and provide conditions for them to do their job well. We should see to it that they unite with the workers, do not get arrogant, boldly root out the survivals of old ideologies, incessantly learn new technical know-how and do not persist in the old one, and inspire themselves with a Marxist-Leninist world outlook. In this way, our intellectuals should be converted into communists who can fight for the party and the people with determination.

Now, it is an important issue for the factories to educate new workers and transform them patiently.

Large numbers of formerly hard-core factory workers fell in the war or were promoted to cadres. Consequently, the majority of our factory workers are novices.

Veteran workers should be the core in educating and transforming all new workers into reliable members of the working class. Only then can production proceed more smoothly, the factory be put in proper order and the tempo of socialist construction quickened.

Next in order of importance in party work is to eliminate work methods of administration and command. The work style of resorting to coercion and abusing party authority should be done away with.

The principal method of party work should be persuasion and education. To be inquisitive and prying is alien to party work.

As I have stressed time and again, the party should always assume the attitude of a mother towards its members. The party bodies, party organizations, the party committee chairmen, vice-chairmen and committee members should always pay attention to the ideological and cultural education of party members and to matters related to their life, always educating and persuading them. Thus, every party member should be led to rely on the party organization in all realms of his life and regard the party organization as his mother. In this way, the party organizations should always educate their members and, at the same time, draw them into practical struggles by giving them assignments. Party members should, on their part, always mix with the masses of non-party people—the blue and white collar workers and peasants—and educate them and show interest in their life. Party members should be the vanguard of the masses in all work, be the first to plunge themselves into any work which is difficult for the masses, carry it out, and be of an example in both work and study. Thus, they should be come the standard-bearers of the revolutionary struggle among the masses, educating and leading them forward. In other words, party members should become "mothers" to the people, and the party organizations, "mothers" to the party members, rallying the popular masses around the party.

Only then will the one million party members be united consciously and more closely around the party central committee and the masses be rallied firmly around the party.

Another important thing in party work is the issue of implementing the party's policies.

Before anything else, party workers should study the party's policies and the decisions of the party Central Committee, and explain and propagate them so that all party members may be well-informed of them. Only when all party members are well-informed of the party's policies and decisions, can we all, from the chairman of the party central committee down to the ri party committee chairmen and, further, the one million party members, breathe the same air, speak the same words and act in unison. And you should proceed to the work of guidance after you have had a good understanding of the party's policies.

The main purpose of party guidance is to disseminate and implement the party's policy. If instructors do not know much about the party's policy, you should arrange short courses for them, say, for ten days or even a month, until they fully understand it, and then send them out to give guidance.

Not explaining and propagating the party's policies properly is the same as keeping the people ignorant, and not carrying through the party's policies is the same as doing harm to the party. Therefore, you should fight strongly against such practices and implement our party's policies.

The next important question in the work of the party organization of North Hamgyong Province is the establishment of revolutionary order and discipline within the party.

Without establishing revolutionary discipline and order, the party cannot become a militant detachment. It is important, of course, to hold discussions and make suggestions in a democratic way in the party. But party discipline should be observed to the letter.

Pointing to the work of the people's committees, President Kim Il-song analyses shortcomings in the work of the people's committees and clarifies ways to improve it.

He says:

Unlike the immediate post-liberation or prewar days, the socialist system has now triumphed in our towns and countryside. It is important to reorganize the work of the people's committees in confirmity to the socialist system.

Previously, our peasants were individual farmers. We could not give them any plan even if we wanted to, nor could we enforce a planned economy even if we wanted to, and individual peasants produced and consumed anything they wanted.

Today they are all united in one family. The ri has become a family. The head of the household in the ri is the ri people's committee, the party organization and the cooperative management board. Here, everything must always be done according to a plan. Production, distribution and consumption should be planned. Products should be disposed of in a planned way, transport, too, should be planned, and the people should be fed and dressed according to a plan. Ours is a socialist economy, and so it must always be run according to a plan.

Previously, there were many individual traders and handicraftsmen in towns. When there were many handicraftsmen in towns, they manufactured goods and sold them on the market as they wished without any plan. Merchants purchased farm products from the countryside and sold them in towns at their own convenience. Needless to say, they did so to make money and it assumed an exploitative character.

Individual traders and manufacturers produced and traded not to meet the demands of the people but to make profits. When private trade and industry still existed, different goods were manufactured without plan, circulating freely on the market. Therefore, at that time it was not possible to meet the demands of the working people.

But today private industry has disappeared for ever and there exist only state-owned and cooperative industries; private trade has disappeared completely and we have only state-owned and agricultural cooperative trade. There is no exploitation now, and goods are produced and supplied in a planned way to meet the demands of the people. Thus, it has become possible to definitely improve supplies for the working people and raise their standard of living.

But never does this happen automatically. Production and distribution, which individual manufacturers and traders formerly conducted at will, now have to be organized, planned and directed by the people's committees. The people's committee should organize production, by choosing which factory should manufacture machines, and which cooperative should produce soap and make paper. Furthermore, the people's committee should direct the purchasing of eggs, cabbage and oil to ensure that these goods are placed on the market. If the people's committee, which has become the master in all realms of life, does not direct, organize and plan production and distribution, nobody else will do it and society cannot function properly.

Furthermore, one of the greatest defects in the people's committee work is the lack of work ability among the people's committee functionaries. It seems to me that you do not know how to run the government and manage institutions or the economy.

I think that in most cases it is due to ignorance. Some chairmen can be bad, but surely not all the people's committee chairmen are bad! The main reason why things do not go well seems to lie in your poor knowledge. You should not pretend to know what you do not actually know.

To carry out the work of the people's committee well, I think it is absolutely necessary to educate the cadres systematically. The ri and county people's committee chairmen and vice-chairmen should at least learn how to operate power organs and run a socialist economy.

Nobody knows everything from the outset. Everybody learns things before doing them.

I think it would be a good thing for each province to open an on-the-job training school for people's committee cadres for a term of at least half a year in order to educate them systematically. I deem it necessary to teach them there how to run a socialist economy and how the people's committees should work in conformity to the actual situation of the province.

At the same time, all functionaries must study. Cadres should learn through their actual work on the one hand and through self-study on the other. You should make it a rule to study for three or four hours a day.

Without learning you cannot manage the economy or expedite social development. We cannot mark time. We should keep on marching ahead in accordance with the law of evolution. That is why you should acquire knowledge.

Another important question in the work of the people's committees in North Hamgyong Province is to definitely oppose bureaucracy. Ours is a people's power. The people's committee itself is opposed to bureaucracy.

Bureaucrats do not go to the masses, and do not lend their ears to their voice, they swagger about with their noses turned up, hurling abuses as soon as they begin talking. They are not interested in the living conditions of the people and only dictate them peremptorily, presuming to think that they alone are the men of utmost importance, men of best opinions and that the opinions of others are all wrong, even before hearing them.

If you want to work among the people, you must get in contact with them and be modest. We come from the people ourselves, don't we? You were elected by the people. The people elected you, because they wanted you to do something good for them.

A people's committee chairman is a servant of the people. That is, he is a person who does errands for the people. Instead of ranting at the people, you should teach them, work with them and learn from them. Only then you will be able to breathe the same air as the people and they will tell you everything they want to tell.

Furthermore, the people's committee chairmen should know the problems of the people. How could he who does not know their trouble become their servant?

It is important for the party to break the pattern of parochialism and nepotism, and for the people's committee to break the pattern of bureaucracy.

Moreover, people's committee functionaries should be infinitely loyal to the party's policies. The people's committee is a power which has emanated from the people. Who guides the people's committee and who leads the revolution?

The party does. The people's committee cannot get along without the party's policies.

The people's committee functionaries should know the party's policies better than anybody else, and devotedly struggle to implement them. Only by doing so can the people's committee be called a power that is truly under the party's leadership.

The county people's committee chairman should carry out everything under the leadership of the county party committee, the county party committee should not take upon itself the work of the county people's committee but let the latter work under its leadership, and the provincial people's committee should work under the leadership of the provincial party committee.

Yon Hyong-muk Attends National Meeting

SK3001012990 Pyongyang Domestic Service in Korean 0400 GMT 26 Jan 90

[Excerpt] A national meeting of exchanging experience acquired in the course of implementing the policy on summing up daily production and financial issues was held at the People's Hall of Culture on 25 January. Comrade Yon Hyong-muk, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and premier of the State Administration Council; Comrade Pak Nam-ki, secretary of the party Central Committee; Yun Ki-chong, minister of finance; and other functionaries concerned participated in the meeting with functionaries of plants and enterprises from various regions. [passage omitted]

Water Channel Construction Progress Reported

SK2901233990 Pyongyang KCNA in English 1517 GMT 29 Jan 90

[Text] Pyongyang January 29 (KCNA)— The construction of water channel extending some 400 km is progressing full steam ahead. It is aimed at supplying a more sufficient amount of water to the granary on the west coast of Korea.

According to information available, a water channel stretching some 370 km has been dug and the rest is pushed ahead at the final stage though the project started only a few months ago.

Over 85 percent of the earth to be removed under plan has been excavated and more than 40 percent of the structures completed.

In this priod tens of millions of cubic metres of earth and several millions of cubic metres of rock have been removed and waterway tunnels, dike, underwater pipe, reservoir, bridge and many other projects have been finished. Signal success is reported by builders of water channels from all over the country who are determined to wind up the remaining projects before the spring season.

This water channel construction is carried out as part of the work to consolidate the success of the completed irrigation and to increase the production of grain.

'Modern Houses' for Over 200,000 Built

SK3001102690 Pyongyang KCNA in English 1010 GMT 30 Jan 90

[Text] Pyongyang January 30 (KCNA)—Modern houses for more than 200,000 families have been built in South Hwanghae Province, a granary on the west coast of Korea, changing the appearance of rural villages.

These houses, each having two or three rooms, a hallway, a kitchen, a storehouse and a veranda, are fruits of the loving care of the Workers' Party of Korea.

Dear Comrade Kim Chong-il visited rural communities in the province on more than 30 occasions and indicated the orientation and way of rural construction.

He went to Ohyon-ri, Yonan County, adjacent to the Demarcation Line to acquaint himself with the living conditions of the peasants and set forth a task to build village houses in large numbers.

And he saw to it that machines and materials for the construction of rural houses were supplied preferentially.

Thus modern houses for more than 650 families, and a house of culture, a school, a kindergarten, a people's hospital, a shop and various service facilities made their appearance in Ohyon-ri in a short time, completely changing the looks of the village.

It was since then that a dynamic campaign to build modern houses has swept all the rural communities.

The 80s alone saw the construction of houses for 100,000 families.

There sprang up many rural villages reminiscent of cities in Oguk-ri known to be a 10,000-ton farm and the State Anak Farm in Anak County, Naerim-ri, Chaeryong County, and other places.

Agricultural Guidance System Proves Successful

SK3001104090 Pyongyang KCNA in English 1014 GMT 30 Jan 90

[Text] Pyongyang January 30 (KCNA)—The agricultural production of Korea is on a steady increase under the system of guiding the rural economy by industrial methods.

The grain yield of the country was 3.8 million tons in 1960 before the new agricultural guidance system was established, 5 million tons in 1962 when its advantages were displayed, more than 7 million tons in 1974 and 9 million tons in 1979, and 10 million tons in 1984.

In Sukchon County, South Pyongan Province, which was the first to establish the new system, the grain production grew 40 percent in 1963 and it doubled in 1980 as against 1960.

It also produced 30,000 more tons of grain last year than the previous year's figure.

This proves that the new agricultural guidance system firmly guarantees the rapid progress of the rural economy.

The new system is a work system under which specialised agricultural guidance organs guide agriculture in a uniform way by industrial methods so as to intensify their technical guidance over agricultural production and plan and organise the management activities.

Industrial method means that agricultural guidance organs directly organise and guide in detail all the business activities from planning to production organisation, technical development, supply of materials and financial activities.

The great leader President Kim Il-song during his on-the-spot guidance to Sukchon County, South Pyongan Province, in December 1961, organised the County Cooperative Farm Management Committee and made sure that its experiences were popularized across the country, thus establishing the well-organized agricultural guidance system from the centre to the provinces, cities and counties.

The new system opened a broad avenue to manage the rural economy by industrial methods and intensify state guidance and help to the cooperative management.

Especially, technical guidance over agricultural production has been realised, so that the outmoded conventional method by which the farming was guided by the administrative method in the past has disappeared and farming is done on a scientific and technical basis.

It makes it possible to push ahead more dynamically with the rural technical revolution by making a unified, comprehensive and effective use of state enterprises, technical equipment and technical forces that serve the rural economy.

It is thanks to the new agricultural guidance system that the cooperative ownership is being steadily brought closer to the all-people ownership and the distinction between town and country and the class difference between the working class and peasantry are being gradually narrowed down.

South Korea

Reportage on Inter-Korean Preliminary Talks

Sixth Round Talks Held

SK3101065390 Seoul Domestic Service in Korean 0300 GMT 31 Jan 90

[Text] The sixth round preliminary talks for North-South high-level talks was held at Tongilgak in the North side's area at Panmunjom this morning. However, the North side came forth with questions, which are not related to the talks, including a discontinuation of the "Team Spirit" exercise. Thus, the talks were disrupted.

The North Korean side chief Paek Nam-chun, saying that prior to the discussion for practical procedure, a question of the "Team Spirit" should be handled as an urgent agenda item, urged our side to take three measures—such as immediate discontinuation of the "Team Spirit" exercise, immediate withdrawal of U.S. forces and military operation equipment introduced into the Korean peninsula for the "Team Spirit" exercise, and conduction of the exercise only with Korean forces.

In addition, the North Korean side, repeating Kim Il-song's New Year address, including a North-South top-level conference involving the heads of authorities and leaders of political parties and free travel of the North and South, demanded that the concrete wall be pulled down in a truce line, as the North Korean side claimed in the preliminary talks for parliamentarian talks on 24 Jan.

In response, Song Han-ho, our side's senior delegate, said that the demand that a concrete wall (changbyok) built to counter tanks be removed is no different from the demand that after demilitarizing itself, South Korea remain helpless against a southward invasion from the North and that the fact that at a final stage of the talks, the North Korean side again put forth the demand that the "Team Spirit" exercise be discontinued shows that it has no intention to realize the talks.

In preliminary talks for North-South high-level talks, most of the practical questions have been settled through five contacts. However, there is dissension between the North and South in the way to write the agenda for the talks, because our side holds that exchanges and cooperations between the North and South shall be written as a prime agenda of the talks, while North Korea holds that bringing an end to state of poitical and military confrontation between the North and South shall be written as the prime agenda of the talks.

Doubt Next Round Will Occur

SK3101065590 Seoul YONHAP in English 0641 GMT 31 Jan 90

[Text] Panmunjom, Korea, Jan. 31 (YONHAP)—South and North Korea, bogged down in a dispute over annual Korea-U.S. defensive maneuvers, failed Wednesday to make any progress toward arranging a proposed inter-Korean prime ministers' conference.

At the sixth preparatory meeting at this border village the next round of talks was scheduled for March 7, but it is unsure if North Korea will attend as it insists that South Korea halt the military exercise before it will sit down at the table again.

At the three-hour-long meeting to discuss the agenda of the proposed prime ministers' conference, North Korea demanded the annual "Team Spirit" military exercise be put on an "emergency agenda."

The South moved to continue the discussion on the conference agenda and then proposed meeting again March 7 when the meeting stalemated.

The northern side said it would attend the seventh contact only if the South accepted its suggestion regarding the military exercise.

North Korean chief delegate Pak Nam-chun, asked by reporters following the meeting if the North will attend the next round of talks, said, "The South Korean side knows better on the matter."

North Korea has made identical demands in other forums of inter-Korean dialogue, such as sports talks to form a single team for the Beijing Asian games this September and the preparatory meeting for an inter-Korean parliamentary conference.

Over the last few years, North Korea has shown little sincerity in dialogue at the time of Team Spirit, which Seoul contends is a defense-oriented drill.

Further on Plan To Pull Out U.S. Forces

Hasty Withdrawal 'Unrealistic'

SK3101020490 Seoul THE KOREA HERALD in English 31 Jan 90 p 8

[Editorial: "U.S. Forces Reduction"]

[Text] It was announced that the United States will close three air force bases in Korea. Gradual phase-out of the U.S. forces here has existed as a perpetual possibility. Sooner or later they have to leave Korea. But its beginning is coming rather too early.

The three air bases in Suwon, Taegu and Kwangju are part of five existing installations here, the other two being Osan and Kunsan air bases. The announcement made by the Defense Ministry earlier this week was endorsed by U.S. Defense Secretary Dick Cheney, who proposed to close or cut operations at 69 U.S. military bases, including 14 overseas in anticipation of major troop cuts over the next five years. Foreign bases would be closed in Italy, Turkey, Greece, South Korea, England and West Germany, with reduced forces at naval stations in Bermuda and the Philippines.

Details are lacking as to the timing and scale of the curtailment. Pullout from air bases in Korea is expected to start late this year and be completed by 1992, affecting about 2,000 noncombatant support personnel. The main functions and overall qualitative strength of the American military presence in Korea would be maintained, sources say.

Washington is prompted by two considerations—financial and diplomatic. The Pentagon is under heavy pressure from Congress to slash its annual budget. Defense officials believe that over 200,000 troops could be cut from the 2.1 million armed forces over the next several years on the grounds of cost cutting and East-West detente. Cheney suggested that global and regional trends toward arms control enable adjustment of some of the overseas facilities.

The Korean Peninsula is still an exception to the trend toward relaxation of tension and disarmament. Under these bleak conditions, premature force reduction on our side beyond a symbolic level would be highly risky. The vital decision on phasing out U.S. troops here must take time and be made with maximum caution, calculating all the risks involved. It also ought to be agreed on through close consultation between the two staunch military allies.

The military balance between the south and the north of Korea is still in favor of Pyongyang at a ratio of 7 to 10. Seoul and Washington should adhere to the irrefutable estimation that the inter-Korea power balance will become even around the turn of the century, and continued stationing of U.S. forces as a deterrent to war is necessary until that time.

Any plan to reduce the size of U.S. ground forces in Korea in haste is unrealistic for the time being. Washington should not use further withdrawal of its troops here as a leverage to unduly increase Seoul's share of the cost of maintaining them. It is time that our preparedness be stepped up for the shifting joint defense arrangement.

Termed 'Symbolic Gesture'

SK3101024290 Seoul THE KOREA TIMES in English 31 Jan 90 p 6

[Editorial: "Reduction of U.S. Troops Here"]

[Text] The much-talked-about possibility of U.S. troop reduction in Korea has become a reality. Seoul and Washington have announced the abolition of three U.S. air bases here that will lead to a cut of 2,000 administrative and support personnel during the period from October this year to July, 1992.

Both the U.S. and Korean defense authorities argued that the measure would affect little military capability here, saying that the U.S. Air Force will be rather reinforced with the ROK Air Force acquiring some of the same type of departing U.S. tactical reconnaissance aircraft and introducing more F-16 fighters equipped with sophisticated navigational electronic systems. From this point of view, the reduction plan appears to be rather a symbolic measure.

The U.S. Government has a good reason to cut the level of its military presence in Korea under the overall realignment of U.S. military forces and installations overseas, including those in Korea. Under the plan, bases in Kwangju, Taegu and Suwon will be closed, with the two other bases in Osan and Kunsan remaining.

Besides the question of budget constraints, Washington may well take advantage of the increasing East-West detente and the recent Bush-Gorbachev summit at Malta, in which they declared an end to the Cold War era. And the military realignment measure noticeably follows a Soviet announcement on the phaseout of its forces in the Far East.

In a related development, the United States and North Korea have made frequent contacts with each other, giving birth to speculation that some serious negotiations are under way. U.S. sources have indicated some progress is being made for the relaxation of tension and Pyongyang has unusually shown what were described as conciliatory gestures towards the United States.

From a negative dimension, we are worried about adverse effects of the projected redeployment of the American forces here under the present circumstances that the Pyongyang regime shows no sign of changing its bellicose strategy toward the South. Aside from apprehension over the breaking of the balance of military power in the Korean peninsula, the U.S. troop cut may induce an armed adventure from the North in the worst case.

On the other hand, we would rather hold an upbeat view that the reduction program will provide Pyongyang with a momentum to change its dogmatic course—accommodation of democratic change, easing of its isolationist policy and renunciation of its long-standing strategy to communize the whole of Korea either through a popular revolution or military invasion.

The troop-cut plan is to partly answer Pyongyang's repeated calls, propagandistic as they are, for mutual reductions of armed forces in the South and North and for withdrawal of the American troops in the ROK. Notwithstanding, it needs to be noted that there is no clear sign allowing revocation of the Seoul-Washington agreement that American troops will be maintained as long as North Korean threats to the South remain.

The Communist regime in the North, furthermore, can change its mind at any time and may resort to force with its potential combat capability, while the United States and the South will have difficulties in reinstating their strength, once they are curtailed or withdrawn. The same goes for the U.S.-Soviet relationship: Once Gorbachev has failed in his perestroika policy or if he is replaced by a conservative Communist, what was achieved during the detente period will be demolished in a moment.

U.S. Defense Secretary Richard Cheney has assured that there will be no significant troop reduction in Korea but his pledge is short of dispelling the apprehensions of the Korean people, considering that the announced phaseout can be seen as no more than a prelude to an overall and long-range military disengagement program of the United States.

The U.S. military realignment program toward Korea must be promoted through close consultations between the two allies under the Mutual Defense Treaty, reaffirming that Korea's security is essential to that of the United States and Asia. There should be no dealings between Washington and Pyongyang over the head of the South. At the same time, non-military problems such as anti-American feelings here and trade friction must not affect the U.S. formulation of the realignment strategy.

Should 'Alleviate Tension'

SK3101074690 Seoul HANGYORE SINMUN in Korean 31 Jan 90 p 3

[Editorial: "The Meaning of the U.S. Decision to Close Three U.S. Air Force Bases in South Korea. We Want the Decision to Become a Step for Alleviating Tension"]

[Text] A country maintains its military armaments, including military personnel, weapons, and equipment, within the scope of its economic capability to cope with a threat from the outside and to guarantee its national security. Accordingly, the country cannot but reduce its armaments when the threat from a foreign country or foreign forces has been markably reduced or when it faces a difficult economic situation in maintaining its armaments.

The U.S. Government's decision to withdraw some military personnel and reconnaisance planes from three U.S. Air Force bases in South Korea can be regarded as a step to reduce its defense budget and consequently to reduce its military bases overseas in the wake of the recent moves for detente between the East and West. Presenting to the U.S. Congress the draft of the national defense budget for the fisical year 1991, U.S. Defense Secretary Cheney announced a plan to close some overseas U.S. military bases, indicating that this plan is "a first-stage step for the reduction of the defense budget in the wake of the recent changes in the Soviet Union and other East European countries."

In fact, when he was inaugurated as President, Reagan vowed to rebuild "the powerful United States" and spent $2 trillion for the defense budget, the largest in peace time, during his 8-years of office. As a result, the U.S. military capability has become stronger. However, such huge amounts of military expenditures became the main cause of the deficits which by 1989 amounted to $170

billion in addition to the trade deficit of $130 billion, which has driven the U.S. economy into a crisis.

President Bush, the successor to President Reagan, did not increase the defense budget for the fiscal year 1990 over the previous year. In the fiscal year 1991 he appropriated $303 billion for defense expenditures. Taking inflation into account, this figure shows a decrease of 2 percent over the previous year. However, as reported by THE NEW YORK TIMES, if the expenditures for the Strategic Defense Initiative, which has increased by 20 percent, and other expenditures for the development of the controversial B-2 stealth bombers are added to the defense budget for the fiscal year 1991, we can say that there will be no basic change in the national defense policy during the fiscal year except for the realignment of military bases in the United States and overseas.

The plan for the realignment of U.S. Air Force bases in South Korea that the U.S. Government has announced this time is to consolidate the base in Kwangju, where only administrative military personnel stay, and the bases in Taegu and Suwon to the bases in Osan and Kunsan and to withdraw tactical reconnaissance aircraft from South Korea. The plan also envisages the South Korean army purchasing these tactical reconnaissance planes from the United States and directly performing the reconnaissance mission. The U.S. Government says that the U.S. plan announced this time, therefore, will no have great effect on the military situation on the Korean peninsula.

We are not satisfied with such a plan to reduce the U.S. forces stationed in South Korea. However, we think that the plan is of great significance because it is a first step to alleviate tension on the Korean peninsula.

Further Reportage on Three-Party Merger

RDP Official Not To Join

SK3101025690 Seoul THE KOREA TIMES in English 31 Jan 90 p 2

[Text] Reunification Democratic Party [RDP] floor leader Yi Ki-taek, concurrent vice party president, declared yesterday that he will not join the new ruling party to be founded through the merger of the RDP, the ruling party and Kim Chong-pil's New Democratic Republican Party.

Vice presidents Kim Sang-hyon, Kim Hyon-kyu and two dozen chairmen of the RDP's local chapters were present at the press conference, vowing to take joint action against the merger of the three parties which they branded "a collaboration."

Yi Ki-taek, who was appointed a member of the 15-member preparatory committee for the merger in his capacity as RDP floor leader, attended a luncheon meeting hosted by President No for the members last Thursday.

Since then he has been absent from meetings of the preparatory committee. Vice party presidents Yi and Kim vowed that they will devote themselves "to firming up the basis of the democratic opposition forces."

Asked if he will try to found a new party in alliance with Kim Tae-chung's Party for Peace and Democracy [PPD], Yi Ki-taek said in a resolute manner, "The alliance with the PPD is desirable. But it is out of the question as long as the PPD president refuses to retire." Yi, who is regarded as one of the potential "new leaders" during the post-three Kims era, has stood on the fence on major political events, inviting criticism.

Leadership of 'DLP' Shared

SK3101030890 Seoul YONHAP in English 0251 GMT 31 Jan 90

[Text] Seoul, Jan. 31 (YONHAP)—President No Tae-u will share the leadership of South Korea's new ruling alliance equally with Kim Yong-sam and Kim Chong-pil as co-representatives until the mega-party is formally created in May, it was decided Tuesday.

The decision was made by the 15-member preparatory committee for the merger of the Democratic Justice, Reunification Democratic and New Democratic Republican Parties into a huge conservative alliance, tentatively named the Democratic Liberal Party (DLP).

The committee also decided that No and the two Kims will be rotating chairmen, leading DLP meetings by turn, after the party registers with the Central Election Management Committee on Feb. 16.

But once the DLP has been officially inaugurated in a national party convention, in may at the earliest, No will be named party president while Kim Yong-sam will become chairman of the five-member collective leadership council and Kim Chong-pil will be one of the council's four ordinary members.

It was agreed at the committee meeting to establish a policy coordinating committee to smooth relations between the party and the government.

Pak Chol-on, first state minister for political affairs and a key architect of the so-called grand conservative alliance, will be named chairman of the Coordinating Committee, an informed source said.

The chairman, rather than the party's chief policy-maker, will be one of three key DLP postholders along with the new party's secretary-general and floor leader, an indication that park could emerge as a major player in the DLP.

The chief policy-maker will be limited to the role of mediator among the three FLP factions, which in essence will be the old ruling party and the two former opposition parties, the source said.

Kim Yong-sam on Reform Pursuit

SK3101060690 Seoul YONHAP in English 0512 GMT 31 Jan 90

[Text] Seoul, Jan. 31 (YONHAP)—Former opposition leader Kim Yong-sam pledged Wednesday to pursue reforms, an amnesty for prisoners and revision of undemocratic laws as chairman of South Korea's new governing party, which is being forged out of an alliance between his party, the ruling party, and a second former opposition party.

In a news conference to fold the flag of his Reunification Democratic Party [RDP], Kim said, "For a new start, I will do my utmost to release or grant amnesty to prisoners detained in connection with political and security incidents."

He also said he would seek to rewrite or scrap the controversial National Security Law and the law governing the Agency for National Security Planning, formerly the Korean CIA, as demanded by the opposition, which is now reduced solely to Kim Tae-chung's Party for Peace and Democracy.

The RDP voted Tuesday to officially dissolve itself in order to form an alliance, tentatively named the Democratic Liberal Party, with the ruling Democratic Justice Party and the New Democratic Republican Party. The new government party is due to complete its legal enrollment next month.

He said his scheduled visit to the Soviet Union in March would be different from his first visit last year and "There will be an opportune time later for me to mention the matter."

Kim hinted at a mission during the trip when a reporter asked if he plans to visit Pyongyang following the Moscow trip.

"The no.1 question we should solve is the reunification question. Chae in North Korea is inevitable. Political realignment through the merger of the three parties is necessary for a firm political group in preparation for this change," Kim said.

Kim was credited with improving relations between South Korea and the Japan Socialist Party while head of the opposition party and predicted his ties with the No. 1 Japanese opposition party, which has maintained a pro-North Korean stance, would not change even though he has changed sides to the ruling camp.

Commenting on the possibility of amending the constitution, Kim said, "We can discuss the issue at leisure now that a new party is to be launched, though it is only two years since we revised the constitution to elect the president in a direct national ballot."

He said he was sure his decision to join the new government party will be recorded as a "great determination" by political historians.

The move surprised people since Kim had been an opposition leader for over three decades along with Kim Tae-chung, and several lawmakers and officials from his own party have denounced Kim and refused to join the new giant party.

Politicians Urged To Meet Demands

SK3001020190 Seoul THE KOREA TIMES in English 30 Jan 90 p 6

[Editorial: "New Party's Policy Adjustment"]

[Text] Public misgivings are being raised about moves by some influential members of the ruling party to slow down the enforcement of the real-name system for financial transactions and new laws related to the introduction of the concept of land ownership for public use, apparently taking advantage of the ongoing political realignment to develop a gigantic governing party of conservatives.

In fact, government authorities have thus far repeatedly promised for next year the implementation of the financial real-name system and the much-talked-about introduction of land ownership systems enacted to meet the masses' aspirations for an effective stemming of unproductive speculation in real estate aimed at unearned windfalls.

In general, the formation of a titanic ruling party through the merger of three existing parties, excluding only the first opposition Party for Peace and Democracy (PPD), may help bring about political stability, led by the stable floor seats of the projected governing party. Yet, the new party needs to adjust policy differences among the three parties in a bid to adopt clear-cut and coordinated policy lines to ease public concern.

First of all, the new ruling party is called upon to expedite democratic reforms, both institutionally and administratively, following the "unsatisfactory" liquidation of Fifth Republic evils at last year-end.

No doubt, the democratic reforms in all sectors should involve not only political but also economic measures, not to mention administrative democratization putting an end to authoritarian bureaucracy.

In this regard, the ruling party is earnestly urged to be consistent and implement the public land ownership system and the financial real-name system as planned, as the systems are supported by everyone, excluding only a small number of big landowners and tax dodgers who indulge in earning unearned gains by using false names.

The governing party should be integral in enforcing the two systems, which are vital to economic democratization. By so doing, the government camp can dissipate the people's distrust and unrest resulting from policy inconsistency.

Though steps are needed to minimize their adverse effect, the two systems must be put into effect without a

hitch, irrespective of the political realignment. Meanwhile, the new party must clarify its policy toward labor-management issues in an effort to ensure industrial peace in the days ahead.

All told, hitherto, the ruling camp has felt difficulty in pushing ahead with its economic policies because the ruling party has less floor seats than the opposition parties.

However, the gigantic governing party may find a way to justify the existence of a grand union of conservatives if it succeeds in pushing ahead with effective economic policies substantially serving the nation.

In addition, the ruling party ought to take the lead in uprooting social evils, especially violent elements threatening public security. Strong measures are in order to eradicate social unrest by cracking down on hooligans, traffickers in human flesh and other brutal criminals who kidnap, rob, rape and even murder. The politicians in power are once again called upon to be honest and sincere in carrying out astute and drastic policies to meet popular demands.

Japan Urged To Correct Biased View of Koreans

SK3001021390 Seoul THE KOREA HERALD in English 30 Jan 90 p 8

[Editorial: "Status of Koreans in Japan"]

[Text] Geographical closeness between countries is a factor compelling nations to be good neighbors for their mutual benefit. This undeniably is the case with Korea and Japan, whose relations were normalized more than two decades ago following historical vicissitudes characterized by the Japanese colonial rule of Korea during the first half of the century.

Mindful of this, we have made efforts on our part to put the Seoul-Tokyo relationship on a fresh track. President No Tae-u is expected to visit Japan sometime this year to elevate the neighborly ties to a more solid and substantive plane. Japan is to make reciprocal endeavors as symbolized by the planned visit here by Emperor Akihito this year.

Notwithstanding this imperative facing both nations, separated only by a strait, there still remain, in our view, problems that must be solved to place relations on a firmer footing. We are keenly aware of the necessity, especially in light of how a prejudiced perception of Korea by the Japanese can undermine bilateral amity, as evidenced in the Japanese move to distort historical facts on Korea in their school textbooks in recent years.

One longstanding issue involved in the improvement of Korea-Japan relations concerns the legal status and treatment of Koreans living in Japan. Despite Seoul's repeated appeal for Tokyo to rectify the problem, the discriminatory treatment of Koreans in Japan remains in job and educational opportunities, legal status and welfare benefits.

The stark situation can be summed up by a recent statement of the Rev. Yi In-ha, chairman of the Korean Christian Council in Japan, who remarked that the some 700,000 Koreans in Japan are "far from liberated," although Korea was liberated from the yoke of Japanese colonial rule in 1945 with the end of World War II.

There are many cases of discrimination against Koreans who live in Japan, fulfilling their taxpaying duties imposed equally on them as Japanese nationals. For example, Korean residents there are required to carry alien registration cards and are subjected to fingerprinting procedures imposed on other foreign residents. It is especially inhumane and unreasonable for Japan to treat even third-generation Korean residents like other foreigners staying on a temporary basis, because their grandparents are mostly those who were forcibly brought to Japan to work for the Japanese war industry during World War II. The historical background of removal from their homeland against their will should be given full consideration.

How the Japanese treat Koreans in their country is bound to affect the feelings of Koreans at home toward Japan. The amicable settlement of the issue is imperative to further improve friendship between the peoples of the two countries and make Seoul-Tokyo relations more solid. And it largely depends on the sincerity of Japan.

The Tokyo government is also called upon to make more practical and positive efforts to help repatriate Koreans in Soviet-held Sakhalin since the Japanese moved them to the island when it was part of Japanese territory.

Trade Policy To Focus on Staving Off Friction

SK3001015790 Seoul THE KOREA TIMES in English 30 Jan 90 p 8

[Text] The government is determined to focus the trade policy for this year on the staving off trade friction with the United States, the 12-member European Community and other advanced countries in a bid to facilitate exports.

In particular, the government will map out a wide range of steps to further penetrate the European Community before the unification of the Community market in 1992.

Among other trade policies for the year are the expansion of economic and trade exchanges with Communist countries, the promotion of economic cooperation with Asian and Pacific countries and accommodation with the Uruguay Round.

The Uruguay Round, which seeks to include services in global merchandise trade, is scheduled to be implemented from next year.

The Trade-Industry Ministry yesterday decided to hold 27 ministerial level negotiations both at home and abroad this year.

Last year, 22 ministerial talks were conducted.

First of all, Trade-Industry Minister Han Sung-su will hold negotiations with his U.S. counterparts in Washington on Feb. 12-13.

He will concentrate on solutions to outstanding trade issues with the United States during his negotiations in Washington.

Among the bilateral trade issues with the United States are the protection of intellectual property rights, liberation of the telecommunications industry and a wider opening of the agricultural and fisheries market.

Han will endeavor to persuade Washington not to designate Korea as a priority foreign country engaging in unfair trade practices with the United States.

The United States is scheduled to name PFCs by April in accordance with Super Section 301 of the 1988 strong protectionist omnibut trade act.

At present, Korea is on the watch list over the issue of intellectual property rights and was also named a PFC for the alleged closure of the telecommunications industry.

The United States is also threatening to name Korea a PFC for the manipulation of the exchange rate of the won against the greenback.

Korea is forced to make substantial concessions on bilateral trade issues with the United States by April to avoid strong trade retailiation.

Super Section 301 empowers the U.S. Trade Representative to curb the import of any specific item or all products from any country which is designated as a PFC unless it corrects unfair trading practices with the United States.

The countries with which the ministry will hold negotiations at home this year include Australia, Thailand, India, Indonesia, Pakistan, New Zealand, the United Kingdom, Singapore and Japan.

On the other hand, the ministry will hold talks in Canada, Belgium, Malaysia, the Philippines, Japan, Italy, Portugal, Spain and Ireland in addition to the United States.

Meanwhile, 28 working-level trade negotiations will be held at home and abroad with 37 meetings to be organized by private economic organizations.

The ministry will also dispatch private trade missions on 23 occasions in order to facilitate exports and expand economic and trade ties with the United States, the EC, other advanced countries and Communist nations.

* Thrust, Problems of Economic Policy Debated

902C0079A Seoul MAEIL KYONGJE SINMUN in Korean 22 Nov 89 p 3

[A two-part summary of contrasting views presented in a debate on the theme of "Economic Reforms: Direction and Options for the Korean Economy." Part 1 is the administration's view expressed by Deputy Prime Minister Cho Sun, who is concurrently the minister of economic planning; Part 2 is a critic's view presented by Professor Kwak Sang-kyong of Koryo University's School of Politics and Economics. The debate was sponsored by the MAEIL KYONGJE SINMUN Company; date and place of the debate not given.]

[Text] **[Part 1] Pending Issues and the Thrust of Economic Reform**

Enterprises must rid themselves of dependency on the government and strengthen their self-survival efforts. Self-restraint must be exercised to keep wage increases within the limit of the rise in productivity. Without sustained economic growth, there cannot be improved welfare for the working people.

Equitable Distribution Is the Key Task

Since the early 1960's, the question of equitable distribution of the fruits of the economic growth has come to the fore as a major problem in the economic management.

Failure to effectively redress the existing state of disparity is likely to prove inhibitive to the future economic growth.

Thus, as things stand now, unless economic reform measures are effected to curb the wants of all walks of the people to an appropriate level and to facilitate a balanced economic development with a greater degree of equality, it will be impossible for us to have sustained growth or to make economic inroads into the advanced industrial nations.

Lately our economy has been in a chronic state of difficulty marked by continuing stagnation in capital spending and exports coupled with persistent instability in price trends. This situation is brought on by those whose prevailing attitude has been to outdo others in "securing their personal shares" of the economic pie and, to make it worse, the lack of a sound argument convincing enough to command self-restraint from them. As a result, the enterprises have lost the zeal to invest, the will to work has diminished, and the productivity has declined while a propensity for excessive consumption beyond the payment capability of our economy is spreading. Should this situation continue through the next year [1990], the prospect is that it will be impossible for our economy to regain its power of self-generation.

It was against this backdrop that on 14 November [1989] the government announced the "Urgent Measure To Improve the Stability and Productivity of Our Economic Society."

Essential to the success of this measure is prompt stabilization of our economic society in general, which in turn would require stable labor-management relations, self-restraint on the "my share first" syndrome, improvement of productivity, and restoration of order. Without it, it is feared that the measure will only prove to be additional burdens to the economic management.

Saying that the latest measure did not go far enough, business circles are arguing that it be augmented with additional steps, but adding anything more to the contents of the measure would be difficult.

The planned economic reforms are aimed at the following objectives: establishing a basic tone of stability in the economic society; achieving balanced development and greater welfare; promoting systemic restructuring; readjusting the industrial structure; and easing of external trade frictions.

So as to make the year 1990 a turning point toward lasting industrial peace, the government intends to see to it that a foundation is laid for autonomous stability between labor and management. With this in mind, official power and authority will be promptly exercised to deal with violations of laws and unfair labor practices, and efforts will be made to have the collective bargaining system introduced into all segments of the industrial sector as a step toward ensuring a widespread application of the "no work, no pay" principle. Also, in order to curb the "my share first" syndrome and excessive demands arising from it, efforts will be made to establish the practice of keeping wage increases within the limits of the rise in productivity.

As a relief measure for fishing and agrarian villages as well as the urban poor that have been neglected or left out in the process of high economic growth of the past, the government has drawn up a plan to spend treasure funds totaling 24.5 trillion won during the period 1989 through 1992; the plan is already being implemented.

For small and medium enterprises, too, the government is undertaking a relief measure designed to enable them to competitively and appropriately deal with external and internal conditions.

To begin with, between now and 1992, "funds for structural adjustment of small and medium enterprises" in the scale of 1 trillion won will be appropriated to help smaller enterprises make structural adjustments such as changing the line of business and replacing superannuated equipment. Additional plans call for the establishment of a production technology research institute for the purpose of training technical manpower required by smaller enterprises and the establishment of financial institutions specifically devoted to small and medium enterprises—these will include five new small business banks and the second credit guarantee fund.

Unbalanced interregional development not only will generate discontent among those who live in the neglected areas but also is expected to work as an impediment to sustained economic growth in the future.

For that reason, the government has designated the question of balanced interregional development as the highest priority task to be achieved under the Seventh 5-Year Plan for the Development of the Economic Society; accordingly, efforts are under way to ensure balanced development of the national land by alleviating the concentration of population and industries in the capital zone and by promoting in earnest the development of the west coast region and other regions that have fallen behind. Rather than simply suppressing the concentration into the capital zone, the main thrust of the effort will be directed to improving the given conditions of various regions for business activities as well as personal living so that the existing interregional disparities in opportunities may be alleviated.

Emphasis on Growth, Employment

It is desirable that today's economic and social requisites be accommodated as aggressively as possible within the allowable limits of our fiscal capability vis-a-vis the growing, multifarious budgetary demands.

The flexibility in monetary management and other changes in the economic condition resulting from the recent downturn in the size of our surplus balance of international payments have made it possible to restore normalcy in our financial functions.

In the face of somewhat stagnant business conditions expected in 1990, the planned increases in budgetary outlays will hopefully prove salutary to the effort to sustain the economic growth and the level of employment.

The following items constitute the frameowrk for the planned systemic reforms: introduction on a broad scale of the "land is public" concept; enforcement of the true-name banking system; implementation of the second-phase tax reform; and alleviation of the concentration of economic power.

The public nature of land, even if it is a privately-owned property, must be emphasized. In our country, the maldistribution of land ownership is so extreme that 65.2 percent of all privately-owned land is under the oligopolistic control of those in the top 5-percent bracket of the population.

As a result, those of a minority class have become the central beneficiaries of the capital gains and land-development profits produced by the appreciation of real estate values; not only has this promoted a sense of social inequity, it has also made it difficult to even maintain the social order. The government is therefore

pushing, as a policy goal of the highest priority, the work of popularizing the "land is public" concept; legislative proposals including a bill placing an upper limit to the residential-lot ownership have already been submitted to the current regular session of the National Assembly.

The true-name banking system coupled with the consolidated income tax system is a system intended to make it mandatory that all banking transactions be conducted in true names only and to subject a person's combined earnings from all financial assets to progressive taxation.

The true-name banking system was discussed in the early 1980's but its implementation was withheld because requisite conditions were not in place at that time. The situation has changed since then: the balance of international payments has been in the black for the last 4 consecutive years; the rate of computerization has increased greatly; and a systemic mechanism is expected to be in place beginning 1990 to suppress real estate speculations. Given these changes, the efficacy of the true-name banking system can now be expected; therefore, the government plans to institute the system beginning 1991. When that happens, the underground economy will be rooted out and the flow of funds normalized, making it possible for economic justice to become reality. Also, to a great majority of the people it will mean a higher level of soundness in banking transactions; at the same time, a greater equity in terms of tax burden can also be expected between the earned-income class and the property-income class.

Overcome Together

Although the first phase of tax reform, focused primarily on reducing the tax on earned income, was carried out in 1988, due to the inadequate taxation on income derived from assets and self-employment income, the tax burden of the high-income bracket has remained low. The purpose of the second-phase tax reform is to eliminate such inequity in tax burdens and thereby contribute toward improving the distribution structure. It is also intended as a means to meet the fiscal demand for welfare programs, to devise an alternative source of revenue to replace the defense tax and education tax that are due to expire soon, and to enhance the degree of self-sufficiency in local finance in preparation for the implementation of the local autonomy system. The key items of the second-phase reform include: consolidated taxation on financial assets; actualization of the assessment basis for property tax; and normalization of the taxation on assets acquired through inheritance or as gifts and on self-employment earnings.

The government intends to push forward the second-phase tax reform in earnest beginning 1990. It also plans to examine the tax on earned income, which has become a subject of heated controversy of late, as an integral part of the tax reform program.

Emerged as a by-product of the government-led economic growth policy carried out in the past was the phenomenon of excessive concentration of economic power in the hands of a small number of macroindustrial groups. Aware of this problem, the government has been trying to deal with the situation.

In a continuing effort to curb excessive concentration of economic power, the government intends, in the days ahead, to encourage macroindustrial groups to improve their financial structures and to move in the direction of specialization; also, efforts will be made to promote the dispersion of the shares of these groups through public offerings. At the same time, the government also plans to go forth with measures designed to reduce the proportional share of credit extended to big businesses and to prevent big businesses from controlling the financial industry. In order to sustain the economic growth, the industrial structure must necessarily be adjusted so as to make it capable of responding to the rapidly changing economic environment. Such an adjustment of the industrial structure must be supported by a high standard of technology. Moreover, such an adjustment, as a rule, ought to be done at the initiative of the private sector on the basis of the principle of free competition; however, a government role is necessary in order to redress market failures and to soften the societal impact of a rapid structural adjustment.

Lately the global trade atmosphere has been moving in the direction marked by gradually worsening protectionism, regionalism, and bilateralism. Using its newly enacted trade bill as a tool, the United States is increasing the pressure for market opening and tightening controls on imports. The EC, too, is continuing to impose protectionist import controls. As a result, the conditions governing our country's foreign trade are continuing to deteriorate. As for the still pending trade issues with the United States, such as beef, communications equipment, and intellectual ownership, we intend to seek their resolutions through negotiations.

Our country is now faced with a historic turning point. In order for us to sagaciously find our way through this turning point and to gain inroads into the advanced industrial nations, all of us—the government, the business, the labor, and the people as a whole—must join forces.

[Part 2] Evaluation of, and Tasks Facing Economic Reforms

A consistent policy resolve is key to overcoming stagnant growth. The rise in wages and prices must be curbed and a stable economic foundation must be built. Overly idealistic reform measures lead to implementation errors.

Economic Vitality Lost Steam

Many things have changed since the start of the Sixth Republic. There has been an effusion of multifarious demands from all walks of life, including some demands that are irrational. Coming to the fore are problems proving to be increasingly difficult, and yet it seems

rather that both the ability and efficiency to deal with such problems are on the decline.

More than 2 years have already elapsed since the Sixth Republic came into being. Now there is a need to take stock of the economic policy that has been in place thus far. Only by forging a new policy through the process of such stock-taking can we hope to move ahead in a more effective and desirable direction.

Before reviewing the policy aspects a quick look at the recent economic trends shows that the economy continued to grow at a high rate between 1983 and 1988 with the exception of 1985. But during the first half of 1989 the rate of economic growth nosedived to 6.5 percent and the growth rate of the manufacturing industry, too, fell to the level less than one-third of the normal annual growth.

On the other hand, the rate of consumption growth has risen sharply since 1988, and the wholesale price index and the consumer price index have lost the stability and are on the rise. Meanwhile exports have edged off, giving rise to the prospect of a sharp decline in the size of surplus balance on the current account.

One cannot but feel concerned about the general economic trends as reflected in these indexes; especially the stagnation of the manufacturing industry and exports is a matter of grave concern.

The severity of the decline in the level of economy is apparent not just in various indicators but in the qualitative sense as well. The development of technology is showing signs of gradual deceleration; this is a trend particularly troublesome in those areas that are linked to our external competitiveness. Having a lot to do with the emergence of this trend are the instability of the labor market and the disintegration of economic order.

Excessive real-estate speculations have continued under the Sixth Republic, expanding the underground economy and worsening the distribution system.

An economy on a steady decline quantitatively as well as qualitatively as noted above is not likely to have a quick recovery. Yet, one would like to apply the old saying "The tree roots more fast which has stood a rough blast" to the present situation and look at it as a process required for the improvement of our economic constitution; the only thing is, the reality is such that it demands much more than such an easygoing perspective. What, then, is the basic tone of the economic policy of the Sixth Republic.

First, in the overall management of the economy, it simultaneously seeks growth, stability, and an improvement in the balance of payments position. Toward this end, it calls for a sustained annual average growth of 7 percent or better and aggressive measures to keep public utility rates down, to root out the temptation to raise prices, and to suppress speculations. Further, it calls for an annual surplus on current account in the range of $5 billion on a sustained basis so that the country can become a creditor nation.

Second, in the interest of achieving a balanced development of regions, it calls for a variety of public-works projects such as the construction of an East-West high-speed electric railway, the construction of a superhighway along the West Coast, the electrification of the Honam line, the construction of expressways between Inchon and Kumi and between Taegu and Chunchon, and the construction of an airport at Mokpo.

Third, in the interest of developing fishing and agrarian villages, efforts are to be made to double the farmer's income within 5 years and the following measures are to be undertaken: creation of a 1-trillion-won fund for the stabilization of the prices of farm products; fostering of the creation of agricultural industrial parks; establishment of a pension system for the farmers; and formulation of comprehensive plans for the development of fishing and agrarian villages.

Fourth, in dealing with labor problems, it aims to achieve the following goals: to guarantee the three rights of the labor; to foster labor unions; to enforce an 8-hour workday; to guarantee livelihood of workers victimized in accident; and to raise the worker's average annual pay to 8 million won.

Fifth, in the interest of improving the distribution system, the following measures are to be undertaken: to improve the existing savings system; to establish a special savings system for the low-income class; to double the worker's income; to privatize public enterprises and distribute 5-trillion-won worth of people's shares to general households—especially to poor families; to institute the employee-shareholder system; and to reform the tax system.

Lastly, the following measures are to be undertaken by way of a general welfare policy: to expand medical insurance; to build 500,000 units of public rental housing; to build 2 million houses; and to implement the true-name banking system.

As can be seen from the above review, the Sixth Republic has sought to achieve a high rate of economic growth, to build stability, and to sustain a favorable balance of international payments, hoping that the revenue so produced would be enough to finance a welfare policy it wanted, and has attempted, to pursue. Also, in keeping with the democratization trends, it has attempted to come up with an economic policy befitting to an era of common people by stepping up the efforts to improve the distribution system and to energize the labor market.

Despite the government's efforts to fulfill its public promises by following this basic policy line, the results have been few and far between. Due to the overambitiousness trying to satisfy all the needs simultaneously, the basic tone of the Sixth Republic's economic policy

tended to be idealistic and its implementation was destined to be problematic at best.

Greed Halved Effectiveness

Sustaining economic growth with stability was a task difficult enough, but trying concurrently to improve distribution, increase welfare, and energize the labor market was too much. Yet the new government has been overly optimistic and less than astute in its assessment of the reality, committing numerous errors in its policy implementation.

To date, systemic reforms have been attempted through the efforts of the Economic Structure Improvement Advisory Council and the Administrative Reform Review Committee, but the system has become even more awry than before and the administrative machinery is the only thing that has expanded. Moreover, none of the public promises enumerated by the administration has been fulfilled in a clear-cut manner; only a whirlwind destructive to the economic order is continuing its rampage.

Thus, one can say that the economy under the Sixth Republic has been a failure in terms of performance as reflected in the declining growth rate, the rising rate of inflation, and the stagnating exports.

To make up for these negative results, the government tried to improve the distribution system, to increase welfare, and to balance the development, but one is hard put to find any clear-cut result from such efforts either. Also, despite a 60-percent rise in wages, there is no evidence of corresponding increases in the productivity and the payment capability.

An evaluation in further specific terms of the economy under the Sixth Republic can be summed up in five points as follows:

First, the economic management methodology is steeped in an excessive "fool's paradise" mentality. A government has the responsibility to formulate and abide by the basic principles for economic management. Yet the present government, even when faced with a disruption of order that is reducing economic efficiency and making policy implementation difficult, tends to sit back idly, hoping that order will restore itself in due time.

In the area of labor-management relations, the government has failed to take appropriate actions against numerous illegal practices; it has also failed to provide clear-cut guidelines or rules regarding wages. The same has been true with the government handling of such other problems as the concentration of economic power, fairness in transactions, and consumer protection.

Second, in the area of economic management, not only has the government failed to demonstrate sufficient ability, it has also proved itself to be even more inept when it comes to forecasting the future. The recent sharp rise in the prices of apartments and problems at the grain and securities markets are all due to the imbalance between supply and demand. From this, one can say that the government lacks the ability to understand and deal with the problem of imbalance between supply and demand.

There is another thing: It is highly irregular for the administration, the winner of the support of the large mass of the people in the elections, to be dragged around by the opposition, the loser of the same game—the elections. The administration's inability to pursue its policy with conviction is the reason for the confusion in the private sector's economic activity as well.

Swelling Tide of "All's Well" Attitude

Third, the administration's economic management lacks policy consistency. Its policy-making process is fraught with interministerial and interagency evasion of responsibility.

Fourth, by putting forth appearance-oriented economic reform ideas, the administration tends to emphasize the display effect rather than substantive results. The latest moves lowering the interest rate by 1 percent and increasing the money supply are nothing more than measures for the appearance sake. By taking these steps, the government is moving in the direction of setting back the self-regulation of the financial market and abandoning the stability; it has driven itself in a state of inconsistency and self-contradiction.

Lastly, all these shortcomings notwithstanding, the government deserves one positive rating for having respected the will of the people in managing the economy.

To redeem itself from the dismal performance of its economic policy thus far, which has resulted in low growth, low stability, and low surplus, the government must find solutions to the following problems:

First of all, the overall economic efficiency will have to be improved drastically. To do this, the government must pursue a consistent policy that can ensure economic discipline and a full, unhindered manifestation of the market functions.

Next, prices and wages must be stabilized simultaneously if a stable foundation for the economy is to be built. This, more than any other policy measure, must be pursued as a priority task in order to facilitate smooth workings of the economy.

Next, a true-name system must be enforced on all financial transactions if equity and balance are to be sought in the economy. There is also a need for a downward adjustment of the earned income tax and an upward adjustment of the estate tax. But any measure intended for greater equity must not lead to the withering of economic activities, nor should it become a cause for discontent and dissatisfaction.

Finally, external economic relations must be channeled in a direction so as to produce tangible benefits. To foster our economy highly dependent on foreign markets, it is essential to improve our international competitiveness.

In addition, improving the industrial structure, making the Bank of Korea an independent entity, accelerating the development of fishing and agrarian villages, ensuring a balanced development of the land, protecting the environment—these are but a few of the mountain of difficult tasks requiring attention. In order to resolve these problems, the government must move with conviction and take an active stance in dealing with these problems. The administration must make itself a government that points the people to a right direction and gives them dreams and hopes, not a government that caters to popularity.

* Impact of Changes, Reforms in East Europe

* Changed North-South Status

902C0069A Seoul CHOSON ILBO in Korean
12 Nov 89 p 2

[By reporter Yim Tong-myong: "The 'East German Upheaval' and the Present Status of North and South Korea—Scores of Applications Received Promise Upsurge in Private-Level Exchanges; Change in North Korea's Posture Seen as the Key"]

[Text] The Berlin Wall, a symbol of the East-West cold war, has been ripped apart. The Korean people's reactions to this dramatic development cannot but be extraordinary. Is the 155-mile truce line dividing the Korean Peninsula into the North and the South an absolutely forbidding line for no one to cross?...

In Korea's case, dialogue between the authorities of the two sides are still at a standstill. The preliminary talks for a North-South high-level meeting and the preparatory contacts for parliamentary talks are bogged down in arguments and are making no progress. While the South Red Cross working-level contacts and sports talks are still there for people to pin hopes on, prospects are uncertain even in those areas as both sides are preoccupied with their minor interests. Relatively, this gloomy situation is bringing people to show more interests in private-level exchanges and cooperation, it can be said. In fact, our side has been explosive lately in showing its desire for private-level North-South exchanges and cooperation.

In the recent period alone, dozens of applications were filed with the government for approval on planned exchanges or business ventures with North Korea. The latest of such applications was for a contact to discuss a North-South student exchange program, submitted to the National Unification Board by Korea University on 9 November. Korea University plans to invite a maximum of 10 graduate and undergraduate students from the Kim Il-song University, Kim Chaek Institute of Technology, and Pyongyang Medical College each, for study at Korea University beginning next year, and to get in contact with the North Korean schools involved respectively through an overseas Korean holding U.S. citizenship. Regarding the question of sending Korea University students to North Korea, plans leave it to future negotiations, and to North Korea to decide. The government, considering the application basically in an affirmative direction, will likely approve it shortly after consultations among departments concerned. If the Korea University plan is put to implementation, it is hopefully expected to bring a breakthrough in student exchanges between North and South Korea.

The Korean Christian Church Council (chaired by the Rev. Kwon Ho-kyong), the Korean Protestant Church Council (led by the Rev. Kim Kyong-hui) and the Korean Lutheran Church (represented by the Rev. Chin Won-sang) are working to invite North Korean believers or leading members of the Korean Christian League for the coming Christmas and to the general meetings next year.

Meanwhile, an overseas Korean in Argentina, planning a round-the-world bicycle tour, sent a query to our government asking permission to enter North Korea through Panmunjom. Officials are currently considering a response.

Also under official consideration are applications for government approval for planned contacts to invite North Korean physicians to a world convention of the Christian Physicians Association (scheduled for July 1990), and to invite North Korean medical college students to a world Christian medical college student congress (also scheduled for July 1990).

Since the strained domestic political situation caused by a series of public security issues virtually eased up in September, the government has granted eight cases of requests for approval on planned contacts or business plans with North Korea, including: an invitation to North Korean Catholics to attend the International Eucharistic Congress; an invitation to North Korean Buddhists to attend the Great Han River Lantern Memorial Service and working-level contacts with them; working-level contacts to invite North Korean scholars to the religious Wongwang Grand International Science Conference; contacts for inviting North Korean scientists to the biological engineering associations international meeting; contacts for an exploration of Koryo-era historical sites planned by the Kyonghui University school of social science; contacts for an on-site North Korean tidal current survey by Professor Won Pyong-o of Kyonghui University; and contacts for inviting three North Korean scholars to a science conference, scheduled for February next year, to be jointly sponsored by TONG-A ILBO and University of California, Berkeley. Also, the government plans to grant approval shortly of planned contacts to invite North Korean religious workers to a Chondo Cult memorial service.

Lately, the government has authorized private-level contacts in most cases as long as plans meet the three criteria it established—purity of objective, adequate representation, and procedural appropriateness. There have been only two cases of rejection or holding since September. They were: contact planned by Yang To-chon, head of a new religious cult, allegedly to deliver a petition to Kim Il-song, and contact for a visit to North Korea by priests who belong to the Catholic Chongui Kuhyon-sa Foundation.

There has been a sharp increase in the "demand" of various circles for North-South exchanges. At the same time, the government is no longer bound by the negative, defensive attitude that it had maintained during the recent period when the political situation was dominated by public security interests and is fairly confident with a forward-looking stance in dealing with the new trends. Consequently, it is a fact that prospects for North-South exchanges have become brighter than ever.

However, the problem is that plans cannot be carried out without North Korea's cooperation.

The North Korean atmosphere in this connection is generally negative. Its attitude toward the International Eucharistic Congress and the Buddhist Han River Lantern Festival in October was far from a show of good faith. Currently, North Korea is staging massive campaigns stressing the "superiority of socialist system" and "warding off the corrupt life style and foul ideologies of capitalism," "loyalty and devotion to Kim Il-song and Kim Chong-il," and "movements to redouble labor service for economic construction." All in all, the North Korean authorities are in constant fear lest the flames of pro-democracy reform should spread to North Korea.

It can be said that for North Korea, determined to give a finishing touch to the Kim Chong-il succession issue at the seventh party congress next year, domestic stability is a matter of top priority. It can be assumed that the North Korean leadership knows better than anyone else that what led to the sudden collapse of the Honecker regime of East Germany, the most conservative of East Bloc, was the cumulative effects of exchanges with West Germany. Then, North Korea will evidently remain negative to North-South exchanges for the time being.

As for us, the only option available now, it seems, is to begin with small things and do them calmly and with patience.

* Public Reaction

902C0069A Seoul TONG-A ILBO in Korean
11 Nov 89 p 3

[Unattributed article: "The Korean Peninsula Cannot Afford to Remain an 'Isolated Island of the Cold War' Any Longer"—A roundup of "East Germany Repercussions"]

[Text] The opening of the borders by East Germany promises an overwhelming change in the world order, not just the European but global as well.

With the collapse of the Berlin Wall, the symbol of the cold war since the end of World War II, it has become even more evident that the world is moving from military, ideological confrontation into a peaceful coexistence and coprosperity.

How will the opening of the East-West German borders affect the European and world order in the future, in particular the Korean issue? What lessons are there for us to learn? Following is a roundup of comments by people of various circles: (Editor)

Yi Hong-ku, minister of National Unification Board:

I feel that many of those who are watching developments in the East-West German situation might be thinking that perhaps a dramatic breakthrough may also come to the North-South Korean relationship and push it to a swift reunification.

However, it should be noted that while both are divided countries, there are basic differences between the East-West German and North-South Korean relationships. First of all, the East German economy has been dependent on West German aid to a significant extent. East Germany could maintain links with the West European economy through West Germany and this enabled it to attain remarkable developments, as compared with other socialist countries.

Secondly, East and West Germany have an agreement on travel between the two countries; last year alone, a total of 5.2 million persons took advantage of the agreement.

Thirdly, as seen in the fact that 70 to 80 percent of the East German people are freely enjoying West German television programs, the two Germanys have been living virtually within the same living sphere.

After all, the opening of the East-West German border today represents the cumulative effects of the consistent efforts for unity in the more than two decades since the Berlin Wall was built in 1961—including the East-West German summit in 1970, the signing of the basic agreement in 1972, and the simultaneous entries into the UN in 1973. The cumulative effects came to the surface as Gorbachev renounced the Soviet grip on satellite countries.

The North Korean leadership should ponder the fact that those regimes that had been in power in communist bloc countries for a long time now came to an end one after another as they see it in today's East-West German reconciliation, Deng Xiaoping's retirement, and the resignation of Zhivkov as the head of the Bulgarian Communist Party after being in power for 35 years.

Cho Sun-sung, member of the National Assembly (PPD):

Tumultuous upheavals that could sweep away the outdated social systems and international order overnight are on the rise all over the world. Especially, the break of events across the East-West German border in the past 2 or 3 days marks the most important milestone of them

all, I think. Communist systems are rapidly disintegrating in East Europe and the trend, I believe, has reached a point of no return. However, the opening of the East-West German border raised a new serious problem for the present European order. European countries such as France, Britain, and Poland as well as the Soviet Union do not want Germany to be reunified. A Soviet Government spokesman made it clear today that the USSR, while welcoming the opening of the border and free travel between East and West Germany, is against abolishing the national borders. If the open border should lead to a hasty reunification of the two Germanys, it would mean a total collapse of the Yalta arrangements maintained since 1945, and as a result, Europe will have to experience the same difficulties all over again.

The opening of the East-West German border will inevitably have its impact on the Korean Peninsula. People the world over are longing for freedom and democracy; amid this world historic current toward the creation of a new order, it is impossible that only the Korean Peninsula will remain an "isolated island of the Cold War." Fortunately, there are no international forces barring our reunification. Our neighbors will not make such futile efforts to keep us from being reunified as Germany's neighboring countries are doing. Therefore, I believe that Korea can attain reunification more easily than Germany if only North and South Korea could overcome the elements of national internal feud between them.

Yang Song-chol, Professor (Kyonghui University):

Since the turn of the century, change in the world order was through war—for example, the changes that came to the world order after World War I and II. But the opening of the East-West German borders has shown that the world order can change even without war. This development, in the meantime, can also be seen as reflecting the processes of the U.S.-Soviet arms race slackening and of the "economy"—as represented by West Germany and Japan—reconstructing the postwar peace structure.

The development was not necessarily unpredictable. We should pay attention to the fact that the announcement of the border opening by East Germany came during West German Chancellor Kohl's visit to Poland, a country that has been most afraid of reunification of the two Germanys since the 1939 Nazi invasion. One could speculate that Chancellor Kohl had that point in mind and tried to put the fears of the Poles to rest.

Needless to say, there are 380,000 Soviet troops still stationed in East Germany and 220,000 U.S. troops in West Germany. Also, the Soviet position is that it approves of free travel but not the dismantling of the borders. Therefore, the relationship can deteriorate in case of emergency.

We have many things to learn from the East-West German border opening with regard to North-South Korean relationship and reunification. As seen in the case of East Germany, North Korea cannot possibly remain an isolated island of the cold war any longer. However, we must first convince North Korea that we are not its enemy but a true cooperator and partner. It is necessary to use flexible policies to draw out North Korea rather than drive it in deeper.

Yi Yong-ki, professor (Sungsil University):

I see the opening of the East-West German borders as a product of Ostpolitik pursued by Willy Brandt 20 years ago, although it was in part inspired by the U.S.-Soviet detente mood and Gorbachev's so-called New Thinking. Brandt then declared that "the German people will reunify through an exercise of their right to self-determination within the European order of peace." What he called the European order of peace was based on these three factors—civil liberties (collective rights of a nation, the freedom of residence, and change of residence), social democracy, and structuring of a new security system. The current change clearly signals a move toward Brandt's "European order of peace," and the two Germanys are trying to be reunited within that order.

In the future, European countries will gradually move toward a unified Europe built on the two pillars—social democracy and joint security system as pursued by Brandt's Social Democratic Party.

For us too, the time has come to propose to the North the conclusion of a North-South basic treaty based on an agreement renouncing armed force. as West Germany did with East Germany. An agreement renouncing armed force, unlike a simple nonaggression pact, renounces use of armed force and all types of threat by armed force. Although East and West Germany failed to incorporate a reunification clause in their basic treaty, we can put clauses dealing with reunification and disarmament in our treaty. Herein lies the reason why a North-South basic treaty should by no means be seen as a thing that perpetuates division. Now is the time for us to see and learn that we can go ahead for reunification regardless of the power balance between the big powers around us, if only we have a national will and persistency for reunification.

Kim Yun-taek (64), chairman of the central council of the associations of former residents of the five northern provinces:

Last night, watching the scenes of East Germans crossing the Wall and jubilating with West Germans on television at home, I was both shocked and, in short, envied them infinitely. As a citizen of a divided country, and as one of the displaced, I found myself stupefied, just thinking when the day will come for our people to be able to shatter the wall like they did and cross the truce line to go home.

At a time when the North-South Korean Red Cross talks have not yet reached a complete agreement on mutual

home visits proposed for 8 December, the abolition of the East-West German barriers is an extraordinarily great envy indeed. Suddenly, I was thinking of my home town, Yonggang of South Pyongan Province, only 4 or 5 hours away by car.

The opening of the borders by East Germany, like the developments in many other East Bloc countries swept by winds of pro-democracy change, shows that people cannot be shackled by the socialist system and ideology any longer. I expect that the day will not be too far away when the ideological wall dividing the North and the South will also fall and we will be reunited. Watching calmly the sweeping change occurring in East Europe, our people should also be mentally prepared to receive our North Korean compatriots.

Kim Chong-ki (22), senior, Sokang University political science-diplomacy department:

The Berlin Wall was a product of war, increasingly thickened in the postwar era by the escalating big-power cold war. However, the world is changing now, with the progressive forces of conscience that value peace and independent human life gaining strength the world over.

This global trend inspired the East and West Germans suffering from the Cold War ideology and the division to strive independently to end their painful division. The dismantling of the Wall is the result of these efforts.

In short, this is a very moving drama signaling a new era for mankind. It contains many lessons for the Korean people. We also should make united, national efforts to build a free, reunified human life on our fatherland.

The North-South wall is not of our people's making but a product of the big-power cold war doctrine.

The removal of the wall, however, is not the business of the big powers but a life-and-death task of none other than the Korean people.

This is the time for all the Korean people to start a forceful march forward together with the peace-loving masses of people the world over to overthrow the ideologies of war and the cold war on the Korean Peninsula and carry out the human ideals of peace and reunification.

Cambodia

National Assembly Session Closes 31 Jan

BK3101053190 Phnom Penh Domestic Service in Cambodian 0430 GMT 31 Jan 90

[Text] The 18th session of the State of Cambodia's first National Assembly, which was held from 26 to 31 January, was successfully concluded today at the office of the National Assembly under the chairmanship of Comrade Chea Sim, chairman of the National Assembly.

In his closing address, Comrade Chea Sim pointed out the results of the assembly's work in this 18th session. Every aspect of our social and national life was discussed by speaking truthfully, frankly, and democratically. This was done with a common view of unanimous solidarity and a spirit to build our government, society, and nation to genuinely increase the efficiency in the administration of our state, society, and social economy as appropriate for the changes and development of our country in a situation in which our people's advantage and strength are constantly rising. This is particularly so in the implementation of the extensive policies of the party and state, such as the five economic policies adopted by the second national conference of cadres, and the economic potential stipulated in the Constitution. These are the correct foundations ensuring the success of the first socio-economic program. Political and economic opening up should go hand in hand with the control, orientation, and expansion of state laws' efficiency in order to ensure the legitimate rights and interests of people throughout the country.

Comrade Chea Sim also firmly believes that our National Assembly will, in the future, continue to uphold this glorious tradition aimed at producing new work efficiency to respond to the vital interests of our people in the national reconciliation task, and more actively contribute toward further firmly promoting the building and defense of the country and nation.

This ceremony was concluded in a most happy and cordial atmosphere after the signing and ratification of various legal documents.

'New, Active Diplomacy' Endorsed

BK3101131990 Phnom Penh SPK in French 1110 GMT 31 Jan 90

[Text] Phnom Penh, 31 Jan (SPK)—The 18th session of the State of Cambodia's first National Assembly wound up with success on Wednesday morning after 5 days of work.

The National Assembly unanimously adopted the socio-economic targets of the 1990 state plan and approved the 1989 fiscal year, the 1990 financial and fiscal projects, and the decree-law on the reshuffle of the leadership in the General Department of Rubber Plantations.

In his closing speech, Chairman Chea Sim stressed:

It is true that our socioeconomic situation still lacks a balance between income and expenditures, between consumption and production, between prices and values, and between export and important imports. But, on the other hand, we have new, favorable factors thanks to foreign investments and the growth of tourism. The key to the socioeconomic problem is to concentrate our forces on promoting production throughout the country, thus raising the living standards of our people. At the same time, all state institutions and work units must display a sense of thrift in order to reduce squandering and negative aspects in the economic field and increase the budgetary income. By so doing, we could wipe out the deficit and obtain some savings for national development in the future.

The National Assembly noted that in the current half-war, half-peace situation, there certainly exist some difficulties. But, it is important to know how to intelligently and reasonably use our goods, our natural resources, and the work forces of the country. In particular, we must not give too much sympathetic attention to immediate needs while forgetting about long-term difficulties.

After drawing the attention of the government to concrete measures to fight negative incidents and improve the national economy, the National Assembly unanimously adopted financial and fiscal objectives and tasks for 1990 as proposed by the Council of Ministers.

Fully responsible for the destiny and future of the motherland and by virtue of the Constitution, the 18th session of the National Assembly examined, analyzed, and discussed the government's proposals on the role of the United Nations as an interim authority in Cambodia in controlling the implementation of international agreements on Cambodia and organizing free general elections.

The National Assembly session is unanimous in appraising that the Cambodian people joyfully welcome the UN role in the political solution to the Cambodian problem because this responds to the sacred wishes of our people and to the goodwill of our state in the implementation of the national reconciliation policy and the more speedy search for peace. Our people are convinced that the United Nations has sufficient resources and competence to contribute to bringing an end to the chronic war through peaceful means. Otherwise, our National Assembly holds that, first of all, it is necessary to have a real guarantee of the United Nations' impartiality, and strict respect for the sovereignty of the State of Cambodia, and for the right to self-determination of the Cambodian people in order to turn the State of Cambodia into an independent, peaceful, sovereign, and nonaligned state with territorial integrity and permanent neutrality.

Starting from that principle, our National Assembly has decided to put into the hands of Hun Sen, chairman of the Council of Ministers and minister of foreign affairs,

the right to prepare a detailed program of action dealing with foreign affairs in order to promote a new active diplomacy and to conduct negotiations on behalf of the State of Cambodia in all future forums. What is essential is that we must preserve the rebirth of the people and motherland, the rights and freedom, the faith and true interests of the people, and the respect for human rights without allowing the genocidal regime to be resurrected in Cambodia.

The Cambodian National Assembly holds that the international community should accept its share of responsibility for the prevention of the resurgence of the genocidal regime. The international community must take these points into consideration in order to ensure lasting peace for the Cambodian people.

On behalf of the Cambodian people, I call on peace-, justice-, and democracy- loving countries and all political personalities, legislative institutions, and governments in the world to do their best to support, in all forms, all efforts to find a political resolution for the Cambodian problem and to use all their influence to bring an end to the civil war and prevent the genocidal Pol Pot regime from returning to power in Cambodia.

The Cambodian people warmly welcome international participation in the cease-fire, the cessation of military supplies to all warring Cambodian factions, and international control as steps toward the political settlement of the Cambodian problem.

Chea Sim Signs Documents

BK3101054190 Phnom Penh Domestic Service in Cambodian 0430 GMT 31 Jan 90

[Text] On 31 January at 0900 sharp, after closing the first National Assembly's 18th session, Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of the National Assembly, signed and ratified various laws and documents adopted by the session.

Among those present on this occasion were Comrade Heng Samrin, general secretary of the party Central Committee, chairman of the Council of State, and National Assembly member for the Phnom Penh Constituency; Comrade Hun Sen, member of the party Central Committee Political Bureau, chairman of the Council of Ministers, and National Assembly member for the Kompong Cham constituency; comrades from the party Central Committee Political Bureau; members of the party Central Committee, the Council of State, and the Council of Ministers; and members of the National Assembly from all 13 constituencies throughout the country.

State Council Meets, Ratifies Envoy Nominations

BK3101112190 Phnom Penh SPK in English 1102 GMT 31 Jan 90

[Text] Phnom Penh SPK January 31—The Cambodian State Council has met here with President Heng Samrin in the chair.

The State Council examined and approved of the report on its activities presented at the 18th session of the National Assembly of the State of Cambodia. It ratified the nomination of ambassadors extraordinary and plenipotentiary of the State of Cambodia to the Republic of Guinea Bissau and Ivory Coast Republic.

The meeting adopted decisions to confer Cambodian distinctions on many units and individuals of the district of Srei Snam, Siem Reap-Oddar Meanchey Province, Vietnamese Units and experts, five Vietnamese sister provinces and the Vietnamese Party School Nguyen Ai Quoc 7.

Hun Sen Interviewed on Peace Proposals

BK3101045890 Phnom Penh SPK in English 0413 GMT 31 Jan 90

[Text] Phnom Penh SPK, January 31—The British paper "FINANCIAL TIMES" on Jan 26 published Chairman of the Council of Ministers of the State of Cambodia Hun Sen's interview in Phnom Penh with its correspondent John Pedler who recently visited Cambodia, reports VNA.

About a solution to the Cambodian issue, Chairman Hun Sen said:

"First, we accept participation by the United Nations. Second, we are prepared to leave in place two governments which control two regions of the country. But, these two governments must relinquish part of their authority to the United Nations.

"Neither of the two governments should legislate or act to obstruct the UN role agreed upon and they must not impede elections. There would be international control over the withdrawal of foreign troops, over the cessation of military assistance, and over a cease-fire.

"Third, a national council would be set up with the two governments participating.

"I agree it should represent Cambodia and I even agree that the council should occupy Cambodia's UN seat". This is new, compared with the Australian proposal.

Also in this interview, Chairman Hun Sen stressed that there must be a cease-fire and the cessation of military assistance from foreign countries to Cambodia and with such conditions, elections would be carried out.

"We can settle this problem this year, any political solution which does not guarantee the non-return of Pol Pot is not acceptable to us", Hun Sen stressed.

Recent 'Search-and-Destroy' Operations Reported

BK3001123190 Phnom Penh Domestic Service in Cambodian 1100 GMT 30 Jan 90

[Text] Our Armed Forces in the 4th Military Region last week conducted 13 search-and-destroy operations

against the enemy. As a result, we put 96 enemy soldiers out of action, including 48 killed, and we seized a great quantity of war materiel.

Between 18 and 27 January, our artillery units in the 5th Military Region shelled an enemy hideout at Chhmal Moan area, killing 36 and wounding a number of enemy soldiers.

On 25 January, our Armed Forces in the same military region captured two enemy elements, who were planting land mines to blow up a route endangering the tranquility of our people at Os Tuk Village in Kompong Preah Commune, and seized a gun.

In the meantime, following our sweeping operations against them, four Son Sann soldiers broke away from their ranks and surrendered to the 10th Regiment of Division 179, bringing with them three firearms.

At 0400 on 21 January in the 1st Military Region, Preah Vihear Province, a group of Pol Potist bandits, who attempted to infiltrate Thla village of Tbeng commune in Sangkom Thmei District to plunder our people's foodstuffs, was encircled by our Armed Forces. We killed nine of them on the spot, and we seized a great deal of war materiel.

On 24 January, the militia and Armed Forces in Angkor Chum District, Siem Reap-Oddar Meanchey Province, intercepted enemies who attempted to wreak havoc upon our villagers in Ko village. Following a battle lasting from 1740 to 1930, we killed seven Sihanoukist soldiers on the spot and wounded three others, and we seized two guns.

In Varin District, our Armed Forces, in their mopping-up operations against enemies in various localities of the district, engaged enemies in a battle at Sre Ampil. As a result, we killed two and captured two enemy soldiers and seized three AK's.

On 24 January, a group of combatants of the 94th battalion intercepted enemies, south of Bakan. After a 10-minute fight, we killed two enemy soldiers on the spot and seized two guns.

Further on Battle Activities

BK3001140590 Phnom Penh Domestic Service in Cambodian 1300 GMT 30 Jan 90

[Text] According to reports from Battambang Province, from 0530 to 1400 on 29 January, the provincial combined forces, in cooperation with combatants of the 5th Military Region, were conducting search-and-destroy operations against Pol Potist soldiers who attempted to infiltrate Snoeng Village to plunder our people's foodstuffs, inflicting heavy defeats on the enemy.

At 0530 on 26 January, a unit of the 2d division operating in Bavel District engaged a group of 40-70 Pol Potist soldiers, who attempted to plunder property of villagers at Ampil Pramdaeum, in battle. As a result, we killed 20 enemy soldiers on the spot and wounded 15 others, and we seized 6 firearms and some war materiel.

At 0400 on 21 January, a unit of Preah Vihear Province's Armed Forces encircled a group of Pol Potist bandits, who attempted to infiltrate Thla village of Tbeng commune in Sangkom Thmei District, to plunder our people's foodstuffs, killing nine enemy soldiers on the spot and seizing a B-40 rocket launcher and a great deal of war materiel.

On 27 January in Kompong Thom Province, our Armed Forces engaged in battle with hundred troops of the three reactionary enemy groups conducting activities in an area 20 km northwest of (Phnum Dong). Following a 12-hour fight, our combined forces killed 107 enemy soldiers and wounded many others, and seized a great quantity of war materiel.

District Seat in Kompong Thom Said Attacked

BK3101000990 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 30 Jan 90

[Text] On 25 January, our national resistance forces cut the 120-meter Prey Prah bridge and attacked the Trapeang Russei commune office, including a company position of the Vietnamese enemy and puppets guarding the Prey Prah bridge, a platoon position guarding the Trapeang Russei commune office, and another platoon position at Russei Cheah village in Tbeng commune.

At the same time, our Cambodian national resistance forces also attacked Kompong Svay District seat [Kompong Thom Province] located at the junction of Route 6 and Route 12. As a result:

We completely destroyed the 120-meter long Prey Prah bridge which fell into the water and killed 15 Vietnamese enemy and puppet soldiers, including 2 battalion officers, and wounded 17 others.

We seized 17 assorted weapons, including 9 AK's, 3 SK rifles, 2 RPD's, a B-40, a B-41, an AR-15, and a quantity of various types of ammunition and war materiel.

We liberated Trapeang Russei commune and 10 villages: Russei Cheah, Prey Prah, Prey Preal, Prasat, Romeang Ngoap, Trapeang Russei, Snao, Roung, Rovey, and Trapeang Thmar.

Laos

Details of Reactionaries' Confessions Cited

BK2501112990 Vientiane Domestic Service in Lao 1200 GMT 24 Jan 90

[Undated PASASON feature: "Expose the Activities of the Traitorous Elements Opposing the Three Indochinese Countries"]

[Text] The old phrases—being hypocritical, a wolf in sheep's clothing, and sweet talk, but a cruel heart—describe the true unchangeable nature of bad elements among the Thai authorities. People in general have frequently witnessed their actions as described by these phrases. The latest development is the case of armed exiled Vietnamese reactionaries who were annihilated and captured as POW's [prisoners of war] by local militiamen and people in Saravane Province, and sentenced by the People's Court with varying degrees of verdicts on 11 January of this year.

In testimony during his trial, Tran Quang Do, a chieftain of the armed exiled Vietnamese reactionaries, clearly confessed that throughout preparations to find ways to sneak back to Vietnam to undermine the revolution, he used Thai territory as his sacred nest under the control and supervision of Thai military intelligence officers and CIA [Central Intelligence Agency] elements.

On 27 April 1983, Tran Quang Do clandestinely entered Thailand by sea with 11 colleagues. On 30 April 1983, they were put in the refugee center at Sikiew. After staying at the center for one year, some immigrated to the United States, but Tran Quang Do did not. On 10 June 1983, he was approached by CIA lackeys (Nguyen Van Hoa) and (Tran Ngoc). After that, he joined the organization led by Hoang Co Minh and became a faithful CIA lackey and a traitor.

As for (Tran Van Dinh), medic and deputy commander of the 1419th Company commanded by Tran Quang Do, he began his exile in Thailand at the Phanat Nikhom refugee holding center. He was subsequently sent to the Chi Linh and Van Kiep camps for medical training.

(Hoang Do Vo) and [names indistinct] were also recruited from the Sikiew and Phanat Nikhom refugee centers and sent to the Chi Linh and Van Kiep camps to undergo training. These places are located inside Thai territory. The Chi Linh and Van Kiep training camps are located respectively at (Phu Mak Khua) Mountain, approximately 12 km from (Tham Khaen Noi-Tham Khaen Gnai) Village in Trakan Phutphon District of Ubon Ratchathani Province, and at (Phu Mak Khok-Phu Phan) Mountain in Si Muangmai District of the same province. They studied both political and military matters there and were instructed by CIA and Thai military officers, together with exiled Vietnamese reactionary leaders.

In carrying out operations, the CIA and bad elements, especially Thai military intelligence officers, coordinated with reactionary elements in the three Indochinese countries. They began their operations in August 1989. To deceive public opinion and conceal their activities, the Thai authorities staged a military exercise by the 6th Army Division along the border of Ubon Ratchathani Province aiming to draw attention away from the smuggling of the Vietnamese reactionaries [into Laos].

According to Tran Quang Do's confession, they sneaked into Laos from many directions. For example, two groups made up of 70 men each left Buntharik District, Ubon Ratchathani Province, to infiltrate into Mounlapamok District, Champassak Province, across the Mekong River along the western border with Cambodia. The second group, made up of 20 men, sneaked into Mounlapamok District and headed southeast into Cambodian territory. They planned to proceed to Tay Ninh in Vietnam. Another group, made up of some 200 men, together with Son Sann elements infiltrated into the Cambodian province of Oddar Meanchey. The main route of the tri-directional infiltration originated in Buntharik District and passed through Lakhonpheng District to Toumlan and Ta-oi Districts and was used by the 1489th and 2589th Companies, made up of 68 men under the command of Tran Quang Do.

On 22 August 1989, they were moved from their position to Phonkham Village, Khong Chiam District, Ubon Ratchathani Province, by cars. They were accompanied by six Thai men under the command of a colonel. After arriving at their destination, they were received by 18 exiled Lao reactionaries. After entering Laos, they were accompanied by another group of seven exiled Lao reactionaries.

These incidents clearly show that the traitorous reactionaries opposing the three Indochinese countries received training inside Thai territory and that their activities were fully supported and endorsed [by Thai authorities]. All this clearly shows that a number of bad elements among the Thai authorities have undeniably given sanctuary, training, and food to these exiled reactionaries.

Philippines

Military on 'Full Alert' Amid Coup Plot Reports

OW3001155590 Tokyo KYODO in English 1510 GMT 30 Jan 90

[Text] Manila, Jan. 30 KYODO—The Philippine military went on full alert after intelligence reports showed that rebel soldiers plan to attack the Malacanang Presidential Palace in a fresh bid to wrest power, naval intelligence sources said Tuesday. Officials would not explain why all major military camps in the country were placed on red alert.

In the central Philippine province of Cebu, soldiers said they were on full alert but gave no reason. Coast Guard Commandant Commodore Pio Galido confirmed the discovery of an alleged new destabilization plot against the government of President Corazon Aquino. We said he has dispatched troops and gunboats to guard the Pasig River fronting the palace "to prevent any surprise attack at the palace which is the seat of the government." Galido said he has ordered the coast to conduct barrier patrols in the vicinity of the Manila harbors and to inspect all vessels in the area.

Government troops "are under orders to repel any attempt by rebel soldiers to seize Malacanang and the nearby oil depots," he said.

Intelligence reports showed that rebel troops might assault depots located in the heart of Manila as "diversionary tactics" while another contingent prepares to attack the presidential palace. The report did not reveal details of the plot except that it was supposed to be staged at any "opportune time" on Tuesday.

On Monday, ranking military officials said they have received "lots of hot tips" which were apparently rumors being spread by the rebels soldiers to sow confusion. At Camp Aguinaldo, the Armed Forces Headquarters, anti-commando tanks were posted at the gates and unauthorized movements of persons and vehicles were barred between midnight and 5 a.m. under a curfew.

Meanwhile, Brig. Gen. Edgardo Abenina, one of the pivotal figures in last month's coup bid, was captured Monday together with two officers who were on active duty. Abenina, who carries a 1 million- peso reward for his capture, was allegedly the fourth man in the hierarchy of the rebel soldiers. He was the fourth rebel officer to be arrested and was on the list of those most wanted by the Philippine military.

Ileto Wants 14 Feb Coup Plan Taken Seriously

HK3001141390 Manila Radio Veritas in Tagalog 1300 GMT 30 Jan 90

[Text] National Security Adviser Rafael Ileto has warned that a report about the launching of another coup on 14 February should not be taken for granted. He said the timing may be perfect because the date coincides with the Philippine Military Academy graduation rites. It has been a tradition that top government and military officials attend the rites.

Meanwhile, Ileto said that 20 percent of the coup leaders had already been arrested. He warned against the continuous contact of active military officers with the rebel soldiers.

[Begin Ileto recording in English in progress] ...activated the intelligence community. We are supposedly more effective now than before. I think we learned a good lesson. So this time, we had better coordinate with the intelligence community. [end recording]

That was National Security Adviser Rafael Ileto.

Former Commissioner Discloses New Coup Plan

HK3101010990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 25 Jan 90

[Text] Several high-ranking military officials are planning to launch another attempt to overthrow the Aquino government 5 weeks from now. This was disclosed by former National Telecommunications Commissioner Jose Alcuaz in his speech before leaders and members of the Credit Management Association of the Philippines, at the Manila Garden Hotel. In his disclosure, Alcuaz said that this will be the last attempt by rebel soldiers to overthrow the present administration, and if it fails they may just resort to violent activities, such as liquidating top government officials.

De Villa Appeals for Counter-Coup Measures

HK2901073690 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 29 Jan 90

[Text] Armed Forces of the Philippines [AFP] General Renato de Villa appealed to all sergeant majors to prevent their men from joining coup leaders. He told them to immediately hold dialogues with their subordinates if they suspected that their men sympathized with rebel soldiers. De Villa said the sergeant majors have to remind their subordinates that their duty is to defend the citizens first, not like the coup plotters who harbor personal interests in their ambition. The AFP chief also praised the sergeant majors in Metro Manila for organizing a 2-day consultative and fellowship meeting which addressed how to resolve the problems of enlisted personnel and encourage unity among them.

New Intelligence Chief To Lead Coup Manhunt

HK3001041990 Manila THE MANILA CHRONICLE in English 30 Jan 90 p 6

[Text] Armed Forces Chief of Staff Gen. Renato S. de Villa has named a new intelligence chief as the military stepped up its manhunt for the remaining coup leaders.

De Villa has appointed Air Force Col. Carlos Tanega as the new commander of the Intelligence Service of the AFP [Armed Forces of the Philippines] (ISAFP) to replace Brig. Gen. Galileo Kintanar who retired yesterday.

Tanega, a member of the PMA [Philippine Military Academy] class 1962 and the senior military assistant of Defense Secretary Fidel V. Ramos, is a seasoned intelligence officer.

He was also formerly assistant deputy chief of staff for intelligence (J-2) when Ramos was still the AFP chief of staff.

The appointment of Tanega is among the few major changes in the military's leadership following the retirement of two senior generals—Kintanar and Army Brig. Gen. Renato V. Palma, commander in the Visayas.

Palma relinquished his post to PC [Philippine Constabulary] Brig. Gen. Romeo Zulueta in a brief ceremony at Camp Lapu-lapu in Cebu City Sunday [28 January].

Other changes include the appointment of PC Col. Miguel Fontanilla as the new PC-INP [Integrated National Police] regional commander in the Cagayan

Valley vice Brig. Gen. Pedro Sistoza who will fill up the post vacated by Zulueta as PC-INP regional commander in the Visayas.

De Villa said they reviewed the records of at least five senior officers qualified to replace Kintanar as head of the military's undercover unit. Tanega emerged as the best choice over his classmates Brig. Gen. Gerardo Flores, the PC intelligence chief; Col. Alfredo Filler, a former military attache to West Germany; and Kintanar's number two man, Col. Donato Quintos.

The fresh leadership in the intelligence organization would further boost the military's campaign to get all fugitive military personnel who took part in the failed coup attempt last month.

Among those still at large were Navy flag officer Domingo Calajate, dismissed Army Lieutenant Colonel Gregorio Honasan, demoted Air Force Lt. Col. Eduardo Kapunan, PC Lt. Col. Victor Batac, dismissed navy captain Felix Turingan and retired Air Force Brigadier general Jose Ma. Zumel.

The six were considered members of the core group of coup plotters. All have a P1 million cash reward each for their arrest.

The military believed it can only put to a stop attempts against the Government if they could get all the coup leaders.

As this developed, military sources at the ISAFP said two more ranking members of the RAM [Reform the Armed Forces Movement]-Marcos loyalist alliance were expected to be arrested in the next few days.

Sources said they have established the pattern of movements of Calajate and Turingan but could not find the right time to get them because of the precautionary measures the two have taken.

Several layers of security rings have been set up by the rebel military officers to protect themselves from military agents.

But members of the anti-coup Counter-Intelligence Command (CIC) remained hopeful that they can get these men very soon.

Meanwhile, de Villa confirmed reports that the rebel soldiers were indeed planning to rescue comrades who were detained inside the PC-INP stockade in Camp Crame.

De Villa described the plan as a desperate move.

Editorial Praises Capture of Abenina

HK3101040190 Manila PHILIPPINE DAILY INQUIRER in English 31 Jan 90 p 4

[Editorial: "More Work for Military After Abenina's Arrest"]

[Text] Congratulations are in order for the capture Monday of renegade Brig. Gen. Edgardo Abenina, whose arrest, said Gen. Renato S. de Villa, AFP [Armed Forces of the Philippines] chief of staff, "undoubtedly weakened" the putschists and "further reduced their capability to destabilize society."

Abenina, who led rebel forces in Cebu during the Aug. 28, 1987, putsch and escaped from military detention at the height of last year's Dec. 1 coup try, is the third personality in the top echelon of the rebel military to fall into government hands, after ex-PC [Philippine Constabulary] Col. Builly Bibit and former Navy Lt. Commander Jaime Lucas.

Before this string of arrests, the military had come under fire for its seeming inability to snag the leaders of the bloody December putsch.

Shortly after the coup attempt was put down, with rebel forces marching "back to the barracks," coup leader former Lt. Col. Gregorio Honasan was interviewed by foreign media, issuing veiled threats that they would eliminate President Aquino "physically" the next time around.

Abenina himself called a press conference with selected media people three weeks ago, unveiling an entire platform of government, as if their forces had not just been routed in their latest of six attempts to grab power.

The accessibility of the RAM-SFP [Reform the Armed Forces Movement-Soldiers of the Filipino People] leaders to the media exposed the military to ridicule and brought into question its willingness, if not ability, to go after the renegade leadership.

Perhaps the capture of Abenina, who ranked much higher in the putschists' hierarchy than Bibit or Lucas, signifies the loyal military's resolve to break the back of the rightist forces. Abenina is a particularly good "catch" because he is credited with having coordinated the alliance between the RAM forces and the loyalist military put to use with devastating effect in the December putsch.

For now, the military has its work cut out for it. Other major figures in the rebel military leadership remain at large: Honasan, Felix Turingan, Eduardo Kapunan, Vic Batac and Jose Ma. Zumel. They too must be captured and once detained, kept in detention and not allowed to escape, as what happened with Honasan who jumped his prison ship in 1988, taking along his navy guards.

Abenina and other putsch leaders and participants now in military custody must also be tried posthaste, and meted just and proper penalties, of sufficient severity as to discourage any more misguided misadventures.

But an even more basic, but certainly more challenging, course of action would be for the defense and military establishment to "put its house in order," to rid the service of endemic graft and corruption, excise the causes of restlessness and low morale among the ranks,

and re-orient the thinking of young officers agitating for a larger role for the military in society.

All these the military must do if it hopes to eradicate, once and for all, the threat that simmers at the very heart of the Armed Forces.

Coup Leader Eludes Military Raid in Manila

HK3101042390 Baguio City Mountain Province Broadcasting Company in English 0330 GMT 31 Jan 90

[Text] Military operatives raided the house of fugitive Army Major Abraham Purugganan Monday night in an exclusive village in Antipolo, Rizal but failed to arrest the elusive coup leader. Soldiers in full battle gear surrounded house number 27 at the corner of Camagong Villa Estate at the town and the Sentry Executive Village at 12 midnight Monday after receiving information on the presence of Purugganan.

Because of the lack of search warrants, the troops of the National Capital Region Defense Command could not immediately enter the compound. Apparently, it was during this time that Purugganan, who allegedly joined the December 1, 1989 and August 28, 1987 failed coup, managed to flee under the cover of darkness. The troops were able to enter the house at noon yesterday but Purugganan was nowhere to be found. Yet traces of his presence that included one high-powered firearm, one 9 millimeter pistol, one radio transceiver, several rounds of bullets, seven military uniforms and combat boots, and several books on computer were found. However, Purugganan's wife Josephine and their 5-year-old son were inside the house during the raid.

The troops searched, but found only personal belongings of Purugganan.

Manila Police Mobilized Against Coup Plotters

HK3101035790 Manila MANILA BULLETIN in English 31 Jan 90 pp 1, 22

[By Vic Vega]

[Text] Brig. Gen. Alexander Aguirre, chief of the Capital Regional Command (Capcom) and director of the Metropolitan Police Force (MPF), ordered yesterday the four police superintendents in Metro Manila to mobilize 1,350 crack policemen into an organized force under "Oplan [Operational Plan] Checkmate."

This was learned following an intelligence report that military coup leaders are planning new attacks on military camps in Metro Manila next month as part of their so-called "final offensive" of their 7th coup attempt against the government.

Col. Ernesto Diokno, superintendent of the Western Police District (WPD), said Aguirre ordered him to form a contingent of 300 policemen as part of the Tactical Contingency Force (TCF) of the MPF and the Capcom to combat any coup attempt by rebel soldiers.

Each police district, according to Diokno, will have high-powered weapons, such as the M-16 and M-14 rifles, light machineguns, and anti-tank bazookas, and will be backed up by the elite Special Weapons and Tactics (SWAT) of their respective districts.

The Metropolitan Traffic Command will also be organized to monitor the situation and the movements of the enemy, Diokno said. The TCF will be used by the MPF and the Capcom in any coup crisis.

The four sector commands of the Capcom will have at least 2,000 troops armed with recoiless rifles and light anti-armor weapons, while the Metropolitan Police Field Force (MPFF) under Col. Romeo Maganto will serve as striking force in a coup attempt.

The MPFF will be composed of 300 policemen trained in combat and anti-terrorist operation.

Region 1 Troopers Demoralized by Nonrecognition

HK2901081490 Manila MANILA BULLETIN in English 29 Jan 90 p 14

[By Lulu Principe]

[Text] San Fernando, La Union—Many troopers assigned to the Region 1 command here have admitted that they were suffering from demoralization in the light of reports that efforts exerted by the officers and men of the command in securing Region 1 and providing support to the government during the Dec. 1 failed coup d'etat were virtually ignored by authorities in Manila.

The demoralized military men, in an interview with the BULLETIN also lashed out at certain influential forces in the AFP [Armed Forces of the Philippines] general headquarters for providing false information about the alleged activities of the men and women in Region 1 command at the height of the military uprising.

"The information relayed to the General Headquarters and also to the Executive branch that we adopted a 'wait and see attitude' was misleading and unfounded which aims only to discredit the local unit of the organization for their professional advancement," they said.

Official records show, they claimed, that the Region 1 command was consistently loyal to the government and its chain of command before and during the coup.

They added that Recom [Regional Command] 1 officers "saw to it that even rumors that the forces of ex-Col. Gregorio Honasan will stage a coup in the first week of December were officially reported to proper authorities as early as November."

Brig. Gen. Miguel Abaya, Recom 1 chief, failed to confirm reports that demoralization has swept the regional command although he conceded that reports citing the participation of other military men (in

defending the government) except those from the region, during the December coup, have affected most of the troops.

"We are not after any award or recognition. But we want to stress that the Region 1 command from its chief down to the enlisted men were loyal to the chain of command during that period of crisis," Abaya pointed out.

Abaya recalled that during the coup, the command dispatched a team from Pangasinan to the Region 3 command to reinforce the government troopers in Camp Crame.

New Army Commander in Visayas Assumes Post

HK2901055290 Baguio City Mountain Province Broadcasting Company in English 0300 GMT 29 Jan 90

[Text] Constabulary Brigadier General Romeo Zulueta officially took over as the newest chief of the Armed Forces of the Philippines [AFP] Visayas Command from Army Brigadier General Renata Palma, who will retire as of today after 30 years of military service. The simple official turnover of the command held in Camp Lapu-Lapu, Cebu City, was witnessed by some military and government officials headed by AFP Chief of Staff General Renato de Villa. Other officials attending the ceremony included Cebu Governor Lito Osmena, Cebu City Mayor Tomas Osmena, Representative Raul del Mar, and local military commanders in the area and their wives.

Military Prepares Offensive Against Rebels

HK2901082290 Manila PHILIPPINE DAILY INQUIRER in English 29 Jan 90 p 13

[By Joel Jabal]

[Text] Calapan, Oriental Mindoro—The military here is preparing for a large-scale summer offensive aimed at flushing out communist guerillas from their strongholds, military officials and sources here disclosed.

Well placed sources revealed that, in the last few days, there have been "quiet troop movements" around identified guerilla-controlled areas in the Roxas-Mansalay-Bulalacao (ROMANBUL) triangle, site of the fiercest and bloodiest fighting here between government troops and communist rebels since the early '80s.

"We're nearing our objectives," a Constabulary officer, who declined to be identified, said. "We're expecting a big fight."

Col. Edgardo L. Maritela, Oriental Mindoro Constabulary commander, declined to give details of the operations, which he simply described as "massive."

Maristela said that two Constabulary officers here were relieved of their duties for failure to prevent NPA [New People's Army] attacks late last year that left seven policemen and a ranking Constabulary officer dead.

They were identified as Captains Rizaldo Tungala, commanding officer of the Calapan-based 269th PC [Philippine Constabulary] Company, and Dominador Penid of the Roxas-based 271st PC Company.

It was in Tungala's areas of responsibility that the November NPA ambush, which killed Lt. Col. Romulo C. Decena, Oriental Mindoro assistant Constabulary commander, occurred while the ambush five days later that left seven policemen dead was staged in Bongabong, which is under jurisdiction of the 271st PC Company.

The two were replaced by PC Captains Manuel Kalalo and Marcelo Manalo, respectively.

At the same time, Maristela said that Decena was replaced by Lt. Col. Rowland Albano, a former intelligence officer from Region III.

"We want to revitalize our campaign against the insurgents," Maristela declared. "We will get them now."

Last year, Maristela predicted that the local insurgents will be crushed at the end of the year.

NPA Leader Captured by Troops in Pampanga

HK2901080490 Manila MANILA BULLETIN in English 29 Jan 90 p 22

[By Jerry Lacuarta]

[Text] San Fernando, Pampanga—Government troops captured Friday [26 January] a leader of the New People's Army (NPA) in Pampanga during a raid on his hideout in Arayat, Pampanga.

Lt. Col. Efren Fernandez, Pampanga PC-INP [Philippine Constabulary-Integrated National Police] commander, identified the captured rebel leader as Antonio Calma, 34, alias "Ka [comrade] Andy," deputy chief of the NPA provincial operational command in Pampanga.

Fernandez said Calma tried to escape during the raid, but troopers of the 173rd PC Company in Arayat stopped him.

Fernandez said the capture of Calma was the result of an intensified manhunt ordered by Brig. Gen. Cesar P. Nazareno, Central Luzon PC-INP regional commander, for the killers of Mayor Javier Hizon of Mexico, Pampanga.

Calma, Fernandez said, admitted leading NPA hit men in killing Hizon Jan. 6 in front of his home in Mexico.

The Mariano Garcia Brigade, a liquidation unit of the Pampanga NPA, had earlier claimed responsibility for the slaying of Hizon because he initiated the formation of the Citizens' Armed Forces Geographical Unit (CAFGU) in barangay Anao, Mexico, two years ago.

The Anao CAFGU was the first in Central and Northern Luzon set up by the Northern Luzon Command (Nolcom) under by Brig. Gen. Orlando Antonio.

Calma told investigators the killing of Hizon was ordered by Felixberto macalino, alias "commander Berting," Pampanga NPA provincial operational chief, because of Hizon's direct involvement in the counter-insurgency campaign, Fernandez said.

Fernandez said Calma is also facing before various Pampanga criminal courts multiple murder.

Deaths Reported in MILF Attacks; 18,500 Flee

HK3101040390 Manila THE MANILA CHRONICLE in English 31 Jan 90 p 7

[By staff member Carol Arguillas]

[Text] Pikit, North Cotabato—Thirteen people—nine civilians and four Moro rebels—were killed in Saturday's simultaneous attacks on 12 barangay here by the Moro Islamic Liberation Front (MILF).

But even as the Army's 603rd Brigade chief Brig. Gen. Orlando Soriano said late Monday afternoon that the situation had stabilized, the number of evacuees rose from an estimated 10,000 Sunday to 18,500 Monday, Mayor Ramon Ong said.

The nine civilians, Soriano said, were killed when MILF forces attacked the poblacion and several barangay here, particularly New Valencia, where six civilians were felled by rebel bullets and almost all houses burned.

The four slain Moro rebels, Soriano said, were killed during the air strike Saturday morning.

Fearing a revival of Muslim-Christian hostilities here, North Cotabato Gov. Rosario Diaz, along with Maguindanao Gov. Norodin Matalam, met with two MILF leaders late Sunday and asked rebel forces to return to their base.

Diaz said the rebel leaders whom he did not identify told them they had withdrawn their forces by 5 p.m. Saturday but that the military launched a counter attack.

The military here denied the rebels' accusations.

Moro rebels also burned some 250 houses in Christian-dominated areas but reports reaching Diaz indicated that some religious fanatic groups and Christian civilians also reportedly burned houses of villagers in Muslim-dominated areas.

Meanwhile, bandits robbed and burned a bus Tuesday and took five passengers hostage in their escape in a remote village in Zamboanga City, the military reported.

The South Command said about 20 armed men, in ambush positions along the highway, shot the tires of a bus in Licomo town at about 5:30 a.m.

The report said the driver was forced to stop the bus and the bandits ordered more than 50 passengers to get off.

The bandits ransacked the vehicle and robbed the passengers of an undertermined amount of cash, jewelry and other valuables, it added.

Meanwhile, the Department of Social Welfare and Development [DSWD] has released P100,000 to aid the Pikit evacuees.

Affected were Barangay Latingan, Gligli, Ginatihan, Rajamula, Calawag, Inug-ug, Panic-upan, Pioneer, Sitio Silik and New Valencia.

The DSWD added that so far, 984 families with 4,696 dependents have been moved to Pikit Elementary School and another 241 families with 1,076 dependents were being served in Magalonan, Maguindanao.

Western Police District To Form New Group

HK2901080590 Manila MANILA BULLETIN in English 29 Jan 90 p 14

[By Victor Vega]

[Text] A group of more than 100 Western Police District (WPD) policemen will be formed soon to serve as a back-up unit for the special weapons and tactics (SWAT) team of the WPD.

WPD officers said the new group, to be called Headquarters Support Group (HSG), will be composed of policemen from 10 WPD precincts. It will help the police in averting coup attempts and demonstrations.

The HSG, to be led by investigation division officers, will also be used by the WPD in emergencies such as hostage dramas and bank robberies.

Meanwhile, 10 officers of the Metropolitan Police Force (MPF), PC Capital Regional Command (Capcom), and the National Capital Region Defense Command (NCRDC) received awards for defending the Constitution during the last Dec. 1 coup attempt.

Rebels, Militiamen Killed in Leyte Gunfight

HK3001040390 Manila PHILIPPINE DAILY INQUIRER in English 30 Jan 90 p 6

[Text] Tacloban City—Six communist rebels and two government militiamen were killed during an hour-long gunfight in a mountain village of Burawin, Leyte, yesterday.

Lt. Col. Reynaldo Acop, PC [Philippine Constabulary] provincial commander of Leyte, said four of the six slain rebels were taken to Burawin poblacion, 18 kms. away from Barangay Mahagnao, the scene of the encounter, for identification by claimants. Acop said the two other New People's Army casualities were taken along by their retreating comrades numbering 30.

Acop identified the government casualities as civilian armed auxiliary member Zacarias Noval and a Bantay Bayan [civilan volunteer] member Bernardo Oring. The

two wounded were known as Bonifacio Lerio and Erwin Milano, both members of the Bantay Bayan, who were taken to the hospital.

Recovered at the scene of the encounter were two M-16 rifles and two homemade shotguns.

USSR Wants 'Action' on U.S. Bases Issue

HK3001124990 Hong Kong AFP in English 1239 GMT 30 Jan 90

[Text] Manila, Jan 30 (AFP)—The Soviet Union welcomes U.S. moves to close down military bases overseas, but is waiting for more concrete action, a Soviet Embassy official said here Tuesday. "We have already withdrawn our offensive potential from Cam Ranh (Bay in Vietnam) and we would welcome reciprocal action on the part of the Americans," said Charge d'Affaires Alexander Losyukov.

"What we hear right now are just talks of possible reductions," the second highest official in the Soviet mission told reporters. "But it is a welcome development and we hope it will be more concrete. And if it is true, things are going in the right direction."

U.S. Defense Secretary Richard Cheney on Monday proposed closing 12 U.S. bases abroad as well as reducing activities at a U.S. naval communications facility in the town of San Miguel in the northern Philippines. The proposal, part of efforts to cut government spending, did not cover the two largest U.S. military bases overseas—Clark Air Base and Subic Naval Base, both in the Philippines.

Yuri Raikov, first secretary at the Soviet Embassy here, said: "We are in favor of lowering military strength in the region on the part of any country because this tends to solidify tendencies toward peace and stability in Southeast Asia."

Manglapus on U.S. Bases Plans, Negotiations

HK3001140190 Manila Radio Veritas in Tagalog 1300 GMT 30 Jan 90

[Text] Foreign Affairs Secretary Raul Manglapus is in favor of U.S. defense chief Richard Cheney's proposal regarding the closure of U.S. bases in foreign countries. However, he stressed that this will not affect the upcoming exploratory talks on Clark and Subic bases. Manglapus admits that the closure of U.S. military facilities could be attributable to economic reasons and to the political developments in Europe.

Meanwhile, former U.S. Ambassador to the Philippines Stephen Bosworth warned against the move to dismantle major U.S. military facilities.

Ramos Makes Statements on U.S. Assistance

Doubts Rumors of Troop Cuts

HK3001140690 Manila Radio Veritas in Tagalog 1300 GMT 30 Jan 90

[Text] Defense Secretary Fidel Ramos assured President Corazon Aquino that the United States has no plans to reduce its forces in Asia after receiving U.S. defense chief Richard Cheney's letter. He said Cheney stated that there are not many political changes in Asia as there are in East Europe that could warrant the removal of American troops.

Soviet Ambassador to Manila Alexander Losyukov earlier said that the Soviet Union is continuing with its troops reduction in Europe, Asia, and the Pacific region.

Speaks on Military Funds

HK3101102190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Jan 90

[By Vic Pambuan from Malacanang Palace]

[Text] A five percent cut in U.S. military assistance to the country will not affect the military's counterinsurgency campaign. This was the statement of Defense Secretary Fidel Ramos.

Speaking in an interview at Malacanang Palace, Ramos said that U.S. military assistance is not used directly in dealing with security problems, including counterinsurgency, but is used to modernize the facilities of the Armed Forces of the Philippines.

Ramos also revealed that the Philippines can obtain funds from other sources for its campaign against insurgents, secessionists, criminals, and other threats to overthrow the current administration. However, he also said that the United States should honor its financial commitments to the country, notably an agreement granting $200 million to the Philippines this year and a similar amount in 1991.

[Begin Ramos recording in English] We will just have to stick to the agreement as there is a commitment in the military assistance program of $200 million for 1990 and a similar amount in 1991. Of course, these are best efforts pledges and need congressional action. There is also the matter of the conversion of $29.4 million worth of FMS, or foreign military sales credit balances, so that these could become grants. [end recording]

Ramos also said that there are still many agreements which should be honored by the United States, including improvement of housing conditions for squatters around Clark and Subic Bases, purchase of Philippine products, and others.

Meanwhile, Ramos also called on the public not to worry and to ignore reports about foreign arms shipments to rebels as he dismissed such reports as false.

U.S. Senator Foresees No Aid Reduction

HK3001130190 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 30 Jan 90

[Text] A U.S. senator has announced that the U.S. reduction in its defense party does not affect its financial assistance to the Philippines. [sentence as heard] Tanny Rodriguez reports:

[Begin recording] In a press statement, the president said this information is contained in a letter sent by the U.S. defense secretary to Defense Secretary Fidel Ramos.

The president publicized part of the contents of Cheney's letter to Ramos, in which Cheney said that developments in Eastern Europe clearly provide reason to hope for the achievement of total peace in this part of the world. Similar political changes are also happening in Asia. More importantly, the U.S. has not seen any change in Soviet forces or other historical-political relationships that would warrant significant reductions in U.S. military forces in the Asian-Pacific region. [end recording]

Aquino States She Is 'Firmly in Control'

HK3001063190 Hong Kong AFP in English 0621 GMT 30 Jan 90

[Text] Manila, Jan 30 (AFP)—President Corazon Aquino assured foreign businessmen here Tuesday that she was "firmly in control of the government," even as she vowed to continue steps to encourage foreign investment. Speaking before visiting U.S. and Japanese businessmen and economists, Mrs. Aquino said "to my detractors who would dare defy the rule of law merely to satisfy their lust for power, I say, I remain firmly in control of this government and intend to do so in accordance with our Constitution."

This was an apparent reference to rightist military renegades who launched a bloody coup attempt last December that claimed 119 lives, injured over 500 people and almost toppled Mrs. Aquino's government.

"The people's pulse is obvious. They want prosperity, a prosperity achieved in an atmosphere of peace. They want our democratic system to prevail," she added. Mrs. Aquino also said that despite the coup attempt, investment applications in 1989 hit a record high of 3.3 billion dollars and assured the visiting delegations that her government was encouraging foreign investment further with a continuing review of investment policies.

"I am likewise considering the adoption of eight emergency measures, including net operating loss carryover, accelerated depreciation and reduction of tariff on capital equipment—to enhance and accelerate investments," she said. She did not mention the other measures.

"To give more teeth to these programs, government will need the support of all who are here today. You are the acknowledged business leaders of your respective countries. Your concerted assistance will greatly affect the success of our programs," she said to them. She also called on the delegates to "inform your respective governments of the truth about this country. Your governments will no doubt heed your advice on the continuing need to base agreements on sincerity and trust and on keeping and honoring those that are made and exchanged."

Observers said she was apparently referring to Washington's failure to live up to an agreement forged in 1988, providing the Philippines with 481 million dollars in annual compensation for hosting U.S. bases in the north.

Meanwhile the head of the ruling Struggle for a Democratic Philippines (LDP), Senator Neptali Gonzales, asked Mrs. Aquino Tuesday to declare her position on the post-1991 future of Subic and Clark.

"I think we should already grapple with this problem," Mr. Gonzales told reporters. "We could no longer hide behind the options open policy." Mrs. Aquino, who is formally not a member of the LDP, has steadfastly refused to commit herself on the facilities, saying she wanted to keep her options open until the current lease runs out in September 1991. Mr. Gonzales also urged Mrs. Aquino to call off the scheduled bases talks with Washington since he said the U.S. Government had failed to comply with its aid commitments.

The Japanese and American businessmen earlier warned the government that new investment would not come in until after the political situation had stabilized. "Political stability and circumstances favouring foreign investment in this country should be encouraged and created. Unless we have such a situation, it's rather discouraging for new investment," the head of the Japanese delegation Yoshio Okawara said.

Stephen Fuller, chairman of the U.S. delegation said: "I don't think there's any doubt that the December coup made investors from all over the world reconsider investing here," adding that "consistent rumours (of new coup attempts) will not help the situation." However he noted that "the Taiwanese investment market does not seem to have been unduly influenced" by the coup try.

The opening of Eastern Europe however, "will clearly present another competitor for investment to...the Philippines but in the case of the U.S., I do not see this substantially impairing the interest and the willingness to invest in the Philippines," Mr. Fuller added. He said that after a briefing on the security situation by Defense Secretary Fidel Ramos, "the American panel is encouraged by the outlook, of the prospects for future security."

"I don't think either the U.S. or Japanese businessmen will lose interest in doing everything possible to further the economic welfare of the Philippines."

Thailand

Prisoner Exchange Talks With Cambodia Fail

BK3101010990 Bangkok BANGKOK POST in English 31 Jan 90 p 3

[Text] Aranyaprathet—Thai military officers yesterday failed to reach agreement with soldiers of the Phnom Penh regime on their demand for the return of four Heng Samrin soldiers in exchange for the release of Thai rangers and villagers arrested on Monday [29 January].

Eastern Task Force commander Maj-Gen [Major General] Chainarong Nunphakdi said the row began on Sunday night when the four Heng Samrin soldiers were arrested by a Thai border patrol unit.

The four were apprehended while crossing the border into Ban Sano Noi with four M16 and 16 AK47 rifles and ammunition, he said.

On Monday morning, when about 20 Thai vendors crossed the border to a black market about 1 km from Ban Khok Sabaeng, they were held up by Heng Samrin soldiers.

When four Thai rangers of Unit 1105 led by M-Sgt [Master Sergeant] Phairun Maliwan and two Cambodian-speaking villagers crossed the border to ask the Cambodian soldiers to free the Thai vendors, they were instead taken hostage. The vendors were released.

The Cambodian soldiers then demanded that the Thai side release their comrades without having to return the weapons in exchange for the release of the Thais.

At 7 A.M. yesterday, Col Wirachai Phruksachiwa, commander of the 3rd Battalion of the 12th Infantry Regiment, led a team of Thai soldiers to meet Heng Samrin troops at the bridge across Khlong Luk near Poi Pet for the first round of negotiations.

The Thai team left the border after about 30 minutes of talks. The Thai side, led by Col Prawit Wongsuwan, commander of the 12th Infantry Regiment, returned to the border about 1 P.M., bringing the four Cambodian soldiers in a van. After the two sides talked for about 45 minutes, Col Prawit went back to Surasinghanat Camp. He returned to the border again at 2:45 P.M. and continued with the talks.

Both sides apparently could not reach an agreement and the Thai side left the border with the Cambodian soldiers about 5 P.M.

Three black markets at Ban Wang Mon, Ban Sano Noi and Ban Khok Sabaeng on the border were ordered closed by the military yesterday.

At a press conference, Maj-Gen Chainarong said the negotiations failed because the Cambodian side was led by a police captain from Poi Pet who said the top military leader at Poi Pet had gone for a meeting at Sisophon and that he could not make a decision by himself.

However, the police captain said the six Thais were safe. It was believed they were detained at Ban Nimit, about 9 km east of Poi Pet, he said.

Maj-Gen Chainarong said he believed the hostages would be returned tomorrow. If the problem was not solved, a government-to-government contact might be necessary, he said.

He said the problem derived from two factors—the existence of black markets and smuggling of war weapons into Thailand.

Maj-Gen Chainarong said the military had learned that the four Heng Samrin soldiers, now in Thai custody, were to sell their weapons to a Thai Border Patrol Police [BPP] officer. The BPP officer had fled, but was being hunted he said.

Thai, Cambodians Exchange Prisoners at Border

BK3101121090 Hong Kong AFP in English 1150 GMT 31 Jan 90

[Excerpts] Bangkok, Jan 31 (AFP)—Thailand and Cambodia Wednesday exchanged prisoners at a disused bridge marking the common border between the two countries, a senior Thai Army officer said.

Four Thai soldiers and two civilians were released by Phnom Penh troops in exchange for four Cambodian soldiers held by Thai troops, Eastern Task Force Commander Major General Chainarong Nunphakdi said at a press conference in the key Thai border district of Aranyaprathet, some 250 kilometers (155 miles) east of here.

The swap took place at the bridge across a canal which marked the border between the two countries, Maj. Gen. Chainarong said. [passage omitted] He said talks on exchanging weapons carried by the released men of both sides would be "conducted later."

Sergeant Major Chaloem Phimsupho, one of the released Thai Rangers, told pressmen that he and the five others were treated well by the Phnom Penh soldiers during the detention. [passage omitted]

Port Paralyzed as Strike Talks Break Down

BK3101022190 Bangkok BANGKOK POST in English 31 Jan 90 pp 1, 3

[Text] Khlong Toei port workers, with union moral support, are expected to continue their strike for a second day today following a breakdown in negotiations between union leaders and the prime minister's advisers.

Port Authority of Thailand (PAT) union leaders last night turned down an invitation by Kraisak Chunhawan,

son and adviser of Prime Minister Chatchai, to another round of talks at Ban Phitsanulok.

The unionists, instead, offered to hold the talks at the PAT office and urged the prime minister as well as Transport and Communications Minister Montri Phongphanit to attend as well.

The strike yesterday virtually halted all services at Khlong Toei Port. More than 60 freighters which were anchored at the port and at the Chao Phraya estuary were left idle. Tug boat services to guide freighters into port were also halted.

The strike is estimated to be costing the PAT 15 million baht a day in revenue. And for shipping lines, each additional day's delay costs about 100,000 baht for each freighter.

Soon after workers went on strike around 9.30 A.M. yesterday, the prime minister's advisers arrived at the PAT office for talks with leaders of six PAT labour unions. The advisers included Kraisak, former labour chief Nikhom Chantharawithun and Sangsit Piriyarangsan.

After more than three hours of debate and tough bargaining, the talks ended in an impasse.

Informed labour sources said dockers were adamant the agreement made last September between the six unions and Deputy Transport and Communications Minister Nikhom Saengcharoen should be strictly followed.

The gist of the agreement is as follows:

—Laem Chabang commercial port must be controlled and managed by the PAT board under the PAT Act of B.E. 2494;
—The Government must not set up a new organisation to run Laem Chabang port;
—Operations of Laem Chabang should depend on the policy of the Ministry of Transport and Communications and PAT board.

The Prime Minister's advisers yesterday reminded dockers of what they thought to be an initial four-point agreement which was reached on Monday during a meeting between union leaders and the Prime Minister.

The agreement calls for:

—The National Port Administrative Committee to act as adviser to the Communications Ministry while the administration is under the sole authority of the PAT board;
—The No 1 wharf to fall under the control of the PAT board under the same conditions as those granted to private biders. The PAT also has the right to operate another wharf with the two others to be operated by private companies;
—PAT, if it operates profitably, to be allowed to operate the whole port. But if not, it will have to relinquish the right to operate the wharves to the private sector.

The advisers were dealt a setback when dockers rejected the initial agreement and called a total strike. As the strike continued, moral support came from the Thai Trade Unions Congress, Labour Congress of Thailand and the State Enterprise Relations Group.

Attempting to end the strike, Kraisak last night phoned the PAT labour union and invited its leaders for a new round of talks at Ban Phitsanulok, but the offer was declined.

Well-informed sources said the advisers last night filed a full report of the PAT issue to the Prime Minister.

An informed source in the Communications Ministry said the ministry had asked the Royal Thai Navy to take over Khlong Toei port operations if the strike is prolonged to the extent that it will seriously hurt the country's economy.

Meanwhile, security at the port was also stepped up to prevent possible sabotage by "third hands."

Delegation Traveling to Burma for Trade Talks

BK3101013190 Bangkok THE NATION in English 31 Jan 90 p 2

[By Aphisak Thanasetthakon and Yindi Leotcharoenchok]

[Text] A 30-member Thai delegation will begin an official visit to Burma tomorrow led by Deputy Prime Minister Phong Sarasin, the seniormost Thai official to visit that country since the September 1988 takeover of the country by Gen Saw Maung's military government.

Phong will meet several Burmese leaders including Saw Maung during his three-day visit, which will focus on trade and economic issues. An agreement between the two countries formally establishing a joint commission on trade will also be signed by Commerce Minister Subin Pinkhayan and his Burmese counterpart Col David Abel during the visit.

The commission will permit both sides to hold annual talks on the development of economic and trade cooperation. Thailand and Burma signed a broad agreement on trade last year.

Both sides are also expected to sign a memorandum of understanding on Thai-Burmese cooperation in fishing during Phong's visit, according to Somkiat Anurat, managing director of the Suphachok Fishery Co, one of the six Thai companies conducting fishing business with Rangoon.

Laksanachanthon Laohaphan, ambassador attached to the Foreign Ministry, said yesterday Rangoon has been keeping Phong's itinerary confidential for security reasons, but mentioned that the deputy prime minister would meet Gen Saw Maung; Col Abel, who is also Planning and Finance minister; Minister for Energy and

Mines Rear-Adm Maung Maung Khin; and Minister for Transport and Communications Maj-Gen Tin Tun.

Thailand is particularly interested in joint ventures with Burma in the fields of trade, fishery, tourism, and mining, she said.

Thai officials earlier submitted a draft agreement on investment promotion and protection to their Burmese counterparts for consideration while Rangoon has forwarded a draft agreement on border trade to Thailand, she added.

Accompanying Phong are Commerce Minister Subin; Fisheries Department Director-General Plotprasop Suratsawadi; Foreign Trade Department Director-General Oranut Osathanon Laksanachanthon, representatives from a number of economic institutions, and businessmen.

On the bilateral fishing agreement, Somkiat of the Suphachok Co. said Thailand had recently formed a company called Thai-Myanmar [Burma] (1990) Co. Ltd to serve as a central agency in handling all fishing deals with Rangoon.

The company, Somkiat said, will propose that Rangoon consider three progressive fishing agreements running from ordinary licencing during the first year to joint fishing within three years and joint ventures after three years.

Thailand is waiting for Rangoon to set up a counterpart to the Thai company and expects the two companies to operate as contact agencies between the countries or the 1990-91 fishing deals. The annual fishing licences of all six Thai companies expire in March.

Apart from Cabinet members such as Subin, Agriculture Minister Sanan Khachonprasat, Interior Minister Banhan Sinlapa-acha, (then Industry Minister), and Deputy Foreign Minister Praphat Limpraphan, some senior military officers including Army Commander Gen Chawalit Yongchaiyut and local businessmen have travelled on occasion to Burma, which is still shunned diplomatically by the international community for its bloody crackdown on civilians in 1988.

Chatchai 'Cool' Despite Political Controversy

BK3001031590 Bangkok THE NATION in English 30 Jan 90 p 8

[Editorial: "The Unperturbed Premier"]

[Text] The clamour for the resignation of Agriculture Minister Sanan Khachonprasat and for a Cabinet shake-up is reaching a crescendo. Yet Prime Minister Chatchai Chunhawan is keeping his cool, at least publicly. He remains adamant that he will neither reshuffle his Cabinet nor dissolve the House of Representatives. He is also ignoring calls by some opposition leaders for his resignation to show responsibility for the Suan Kitti affair.

The explosion of this latest political controversy must have caught both the agriculture minister and the prime minister by surprise. It came at a bad time for the administration, which was already weakened by internal rifts. Now many people are asking whether it was just a coincidence. Or was it part of the much-talked about movement to destabilize the Chatchai administration?

The speed with which the controversy developed makes one wonder. Some informants notified Assistant Police Director General Prathin Santipraphop on Jan 19 of massive forest encroachment in Chachoengsao province's Sanam Chaikhet District by an influential firm. He sent a team of border police patrolmen to verify the report the following weekend. And on Jan 22 he led a raid which netted more than 150 workers from the Suan Kitti Reforestation Co.

Prathin claimed he didn't know at the time who owned the firm. That would be Kitti Damnoenchanwanit, president of the Sun Hua Seng Group agro-business conglomerate, a senator, and until recently an economic adviser to the prime minister. His appointments to the Senate and to the prime minister's advisory group were reportedly backed by the Democrat Party.

The agriculture minister, who is secretary-general of the Democrat Party, approved Suan Kitti Reforestation Co.'s application to rent a "denuded" forest area in Sanam Chaikhet for planting eucalyptus. But before the permission was formally issued, the firm had already sent in workers and heavy machinery to clear the area. Moreover, the workers also allegedly cleared adjacent areas that forest officials say were not denuded—thus the charge of forest encroachment.

The prime minister, true to his "no-problem" style, was rather slow in grasping what was going on. He said yesterday—seven days after the raid on Suan Kitti—that he was still waiting for a detailed report on the case from the agriculture minister, who in turn was waiting for a similar report from Phairot Suwannakon, the forestry director-general. Phairot in turn pleaded for sympathy for his understaffed office in Chachoengsao. The forestry office also claimed it was unaware of the wrongdoings in Sanam Chaikhet, which Prathin said began last December.

For the time being the prime minister seems content to wait and see how the Democrat Party take the clamour for the agriculture minister's resignation. He wasn't even perturbed when one of his party's deputy leaders, MP [member of Parliament] Piya Angkinan (Phetchaburi), repeatedly attacked the Democrat Party for "causing trouble" and called for its expulsion from the six-party government coalition. Maybe the prime minister is preoccupied with his own political survival, which he seems to feel is more important than the welfare of his agriculture minister or the credibility of his administration as a whole.

The prime minister, in his concurrent capacity as defence minister, has just appointed Col Manun Rupkhachon his aide-de-camp. The flamboyant cavalry officer, a key graduate of Chunlachomklao Royal Military Academy's Class 7, organized the two abortive coup attempts in 1981 and 1985. His appointment can be seen as an attempt by the prime

minister to establish closer ties with Class 7. Another key member of this group is Bangkok Governor Chamlong Simuang, who has agreed to consider a recent overture by the Chat Thai leadership for some form of political alliance with his centrist Phalang Tham Party. (The prime minister, who used to be a cavalry officer, even found time to attend an annual get-together party at the Second Cavalry Division last night.)

At the same time, the prime minister appears to be preparing for a snap general election. Last Friday he feted 1,000 community leaders in Nakhon Ratchasima, his home province. When a big fire broke out in the province last week, he rushed in to visit the scene and hand out cash to victims. He has also tried to woo to his Chat Thai Party an opposition MP from the Puangchon Chao Thai Party, Suwat Limpaphanlop, the top vote getter in the prime minister's constituency.

The prime minister has also spoken in favour of a sizeable minimum wage increase; advocated urgent improvement in the working conditions for government bureaucrats and an increased in their fringe benefits; postponed an increase in the retail oil price, which his own ministers said would be inevitable; put his party secretary-general, Banhan Sinlapa-acha, at the Interior Ministry; and delegated responsibility to fighting inflation to Finance Minister Pramuan Saphawasu, who heads a Chat Thai Party faction, and Commerce Minister Subin Pinkhayan of the Social Action Party.

The prime minister, in other words, is quite prepared for all contingencies. And this may be why he is taking the Suan Kitti affair quite lightly.

Daily Analyzes Division Among Government Parties

BK2901073090 Bangkok SIAM RAT in Thai 27 Jan 90 p 3

["Analysis" by "Code No. 128": "A New Round for the Coalition Parties?"]

[Excerpts] It appears that division among the parties in the coalition government of Prime Minister General Chatchai Chunhawan is quietly widening. The division began last year with the no-confidence motion against four ministers, when there were noticeable gaps in the votes of confidence received by the targeted ministers. [passage omitted]

Senior Democrat Party members are courting the Chat Thai Party core members as if they were loyal buddies. But it appears more like they are looking for an opportunity to convince the people that their party is in the right.

The Chat Thai Party, however, enjoys the power to treat the other coalition parties as it pleases.

Actions that the Chat Thai Party might take include:

1. Reshuffle the cabinet by replacing one or two coalition parties with one or two opposition parties. The prime minister once remarked: "I was a cavalry soldier; I have several horses to choose from next year."

2. Dissolve parliament if no opposition parties are willing to join the government out of fear that the contamination could only damage their reputation. The Chat Thai Party has nothing to lose in a parliament dissolution because its secretary general is the current interior minister.

3. Quickly convene a special session of parliament to preempt the opposition bloc's relentless attempt to do the same to grill the government, thus relieving the pressure. But regardless of how the special parliament session is convened, the government will be target of vehement grilling, because the people now seem to realize that the current government only looks good on the outside but the inside is hollow.

4. Maintain the status quo, but risk cabinet ministers stabbing each other in the back in public.

The government will have to choose from those four. If the situation remains as it is now, we will have a chance to witness coalition parties stabbing each other in the back, especially between the Chat Thai and the Democrat Parties, whose feud is already public knowledge. dd

Vietnam

Soviet Fighters, Bombers Withdrawn From Base

OW3101092590 Tokyo KYODO in English 0908 GMT 31 Jan 90

[Text] Hanoi, Jan 31 KYODO—The Soviet Union completed its withdrawal of MiG-23 fighter aircraft and Tu-16 badger bombers stationed at the southern Cam Ranh Bay facility late last year, informed sources said Wednesday.

The sources added the military base would be turned into a water supply depot for Soviet ships.

Earlier this month, a Soviet Foreign Ministry spokesman announced the completion of the withdrawal of the fighters and intermediate-range bombers, saying the move was part of a Soviet plan to convert the Asian-Pacific forces to a "purely defensive structure."

The Soviet withdrawal from Cam Ranh Bay started long ago, according to the sources, but has yet to be completed. Repair and maintenance equipment will also be removed from the bases, the sources said.

Defense Agency officials in Tokyo have said the strategic impact of pulling out the aircraft is minimal, noting they could be redeployed at any time.

Soviet Foreign Secretary [title as received] Eduard Shevardnadze had told a U.S. Senate mission that all Soviet forces in Asia would be withdrawn in the not too distant

future. Moscow has repeatedly called on the U.S. to abandon its sprawling Clark and Subic Bay facilities in the Philippines.

U.S. Defense budget-cutting moves announced Monday include the realignment of forces at a naval communications facility near Manila.

Minister Discusses Cooperation With USSR

BK3101141590 Hanoi Domestic Service in Vietnamese 0015 GMT 30 Jan 90

[Statement by Doan Duy Thanh, minister of external economic relations, date and place not given—recorded]

[Text] The Soviet Union retains an especially important position in economic and trade relations with Vietnam and other countries in the world. Our country's economic and trade relations with the Soviet Union took shape shortly after the complete liberaton of the north, and began with the signing of an agreement on Soviet economic and technical assistance to Vietnam on the occasion of a visit to the Soviet Union in July 1955 by a Vietnamese party and government delegation led by President Ho Chi Minh. This was followed by the Vietnam-USSR trade and maritime transportation agreement signed on 12 March 1958, which served as the legal basis for the development of the exchange of goods between the two countries.

Economic and trade relations between Vietnam and the Soviet Union constitute a new type of international relation based on friendship, solidarity, and mutual assistance on the principles of Marxism-Leninism and proletarian internationalism and equality and mutual benefit. It is on the basis of these principles that throughout the past 40 years or so, economic and trade relations between Vietnam and the Soviet Union have constantly developed under more diversified forms, with even better quality, and an even wider range of cooperation, and have become an extremely important, indispensable factor in resolving issues concerning economic and political tasks for all stages of development in the Vietnamese revolution.

Looking back at the past 40 years or so, we can see three stages of development. The period from 1955 to 1965 was one of economic restoration and development following the resistance against the French colonialists. Thanks to the great assistance of the Soviet Union, we were able to quickly overcome the consequences of war and restore the economy, with the reconstruction or construction of more than 90 enterprises and projects for many economic sectors, thus creating initial bases of socialist production.

Between 1965 and 1975, when we had to lend support to the resistance of the people in the south while coping with the war of destruction by the U.S. imperialists in the north, the Soviet Union rendered effective all-around assistance to Vietnam. This contributed significantly to consolidating and strengthening our economic and national defense potentials, thus enabling us to win the war and completely liberate the country.

Since 1976, there has been a new period of development in bilateral relations of cooperation and trade at a time when Vietnam has already regained full independence, achieved national unification, and embarked on a period of socialist construction on a national scale. The signing of the Vietnam-USSR treaty of friendship and cooperation on 3 November 1978 was an event of great significance, marking a new qualitative step in the relations of all-around cooperation between the two countries.

Thanks to Soviet technical assistance with favorable conditions for the procurement of loans, many important industrial sectors—such as energy, mining, machine making, oil and natural gas exploitation, and construction—have taken shape in our country. To date, the Soviet Union has helped us build, restore, repair, and exploit more than 300 projects belonging to many different economic sectors.

These include important projects such the Hoa Binh hydroelectric powerplant with a capacity of 1.9 million kilowatts, the Pha Lai thermoelectric powerplant with a capacity of 420,000 kilowatts, the Tri An hydroelectric powerplant with a capacity of 420,000 kilowatts, the Bim Son cement plant, the Thang Long bridge, and others. These projects, built with Soviet assistance, produce 50 percent of the total volume of electric energy nationwide, 85 percent of the total volume of coal, 52 percent of the total volume of tin, 100 percent of the total volume of apatite, and 37 percent of the total volume of tea.

The establishment of the joint enterprise for exploration and exploitation of oil and natural gas on the southern continental shelf has been a major Vietnam-USSR cooperation project of strategic significance to our country's economic development. The output of crude oil extracted in 1989 stood at 1.49 million metric tons, making it possible for us to believe in the fine prospects of cooperation in this field.

Over the past 40 years, trade relations between Vietnam and the Soviet Union have played an extremely important role in our country's socioeconomic development. The Soviet Union is Vietnam's biggest trade partner. The volume of goods exchanged between the two countries accounts for nearly 80 percent of the trade between Vietnam and other CEMA member countries and 65 percent of the total trade between Vietnam and all countries.

Meanwhile, the Soviet Union has supplied Vietnam with many essential commodities for the development of its national economy, such as gasoline and diesel, representing nearly 100 percent of Vietnam's import needs; cotton fiber, 100 percent; thin steel plates, 82 percent; fertilizer, 68 percent; and machines, equipment, and other items. This has contributed significantly to overcoming imbalances in Vietnam's national economy, ensuring stable operation of various economic sectors, and gradually improving the people's livelihood.

Proceeding from relations of fraternal and mutual assistance, the Soviet Union always reserves for Vietnam favorable conditions in terms of goods structure, prices, transportation, and credit to ensure a balance of payment between the two countries.

For its part, Vietnam always strives to give priority to the export of its goods to the Soviet Union. Vietnam has delivered goods to the Soviet Union in even larger quantities. Some of these goods have helped the Soviet Union reduce its imports from markets in nonsocialist countries. These include rubber, tin, coffee, tea, peanuts, coconut oil, vegetables, fruits, light industrial products, and others.

The total value of goods exported to the Soviet Union from Vietnam in 1989 reached more than 600 million rubles and is expected to reach over 900 million rubles in 1990, an increase of 50 percent. This shows a trend of development in the bilateral trade relations. Many new, diversified forms of cooperation—such as targeted programs for cooperation in the production of vegetables, fruits, rubber, coffee, tea, coconut oil, and others—have taken and are taking shape. Cooperation in producing light industrial goods on contracts and establishing joint enterprises or direct relations between sectors and enterprises and among sisterhood provinces or cities is also developing satisfactorily.

Apart from these results, we are aware that the bilateral economic relations have not yet achieved desirable results nor developed in a way that suits the policies of restructuring set forth by the 27th congress and 19th all-union conference of the Communist Party of the Soviet Union [CPSU] or the viewpoints concerning renovation of the Sixth Communist Party of Vietnam [CPV] Congress.

Vietnam and the Soviet Union are determined to advance their economic relations from trade relations with one-side assistance to a higher form of socialist international division of labor—that is, the establishment of mutually beneficial relations of cooperation in promoting socialist economic integration; carrying out the specialization and cooperativization of production; eliminating obstacles in the bureaucratic and subsidy-based mechanism of the past and switching completely to socialist accounting and business; and diversifying new forms and formulas of cooperation, such as establishing joint ventures, working on contracts, and fostering cooperation at the central, sector, and enterprise levels.

At present, all echelons and sectors are exchanging views on combined plans for national economic development of the two countries during the 1991-95 period in compliance with the process of restructuring and renovation. Initial results of the exchange of views show that both sides have great potential for expanding and developing their economic and trade relations.

Strengthening friendship and all-around cooperation with the Soviet Union has always been considered an extremely important strategy in the foreign policies of the Vietnamese party and state. The people of Vietnam will foster forever their warmest feelings toward the Soviet Union and its people.

Marking the 40th anniversary of the establishment of diplomatic relations between the two countries, we firmly believe that with the policies on restructuring of the 27th CPSU Congress and the viewpoints concerning renovation of the Sixth CPV Congress, Vietnam-USSR economic relations will further develop in terms of quality and will produce more results, thus effectively contributing to the cause of national construction and development in each country and fulfilling the wishes of the parties and peoples of Vietnam and the Soviet Union.

Greetings From USSR on Diplomatic Anniversary

BK3001144390 Hanoi Domestic Service in Vietnamese 1430 GMT 29 Jan 90

[29 January message of greetings from the CPSU Central Committee, the Presidium of the USSR Supreme Soviet, and the USSR Council of Ministers to Nguyen Van Linh, general secretary of the Communist Party of Vietnam Central Committee; Vo Chi Cong, chairman of the SRV Council of State; Do Muoi, chairman of the SRV Council of Ministers; and Le Quang Dao; chairman of the SRV National Assembly]

[Text] Dear Comrades: On behalf of the Soviet people, we would like to extend our warm greetings to you and all workers of fraternal Vietnam on the occasion of an important day in the life of our two countries—the 40th anniversary of the establishment of diplomatic relations between the Soviet Union and Vietnam.

We are very pleased to note that the development of Soviet-Vietnamese cooperation, which originates from the principles of the Great October Revolution and the August Revolution, has steadily served the fundamental interests of our two nations and the cause of socialism, national independence, and progress. The 1978 treaty of friendship and agreement has created a lasting and firm legal basis for the Soviet-Vietnamese relations and strengthened our mutual assistance.

At present, the Soviet Union and Vietnam are carrying out a process of renovation aimed at enabling our two countries to develop more dynamically. The forms and methods of Soviet-Vietnamese cooperation are being perfected and efficiency in cooperation is being enhanced. The coordination of our action in the international arena and our efforts to establish relations of security and cooperation in the Asia-Pacific Region are being strengthened.

The Soviet people treasure their traditional friendship with the Vietnamese people and are resolved to continue developing our mutually beneficial cooperation.

We wish the Vietnamese workers great achievements in implementing the program of social renovation laid down by the Sixth Congress of the Communist Party of Vietnam to achieve national socioeconomic development.

USSR Greeted on Diplomatic Ties Anniversary

BK3001143790 Hanoi Domestic Service in Vietnamese 1430 GMT 29 Jan 90

[Text] On the occasion of the 40th anniversary of the establishment of diplomatic relations between the SRV and the USSR, on 29 January Comrades Nguyen Van Linh, general secretary of the Communist Party of Vietnam [CPV] Central Committee; Vo Chi Cong, chairman of the SRV Council of State; Do Muoi, chairman of the SRV Council of Ministers; and Le Quang Dao, chairman of the SRV National Assembly, have jointly sent a message of greetings to Comrade Gorbachev, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet; and Comrade Ryzhkov, chairman of the USSR Council of Ministers.

The message said: Dear Comrades: On the occasion of the 40th anniversary of the establishment of diplomatic relations between the SRV and the USSR, we would like to extend to you and all the fraternal Soviet people our warmest greetings.

The establishment of diplomatic relations between Vietnam and the Soviet Union, China, and other socialist countries at a time when the Vietnamese people's war of resistance against foreign aggression was entering a difficult and intense stage and the Democratic Republic of Vietnam was being encircled and isolated was an event of utmost importance to the Vietnamese revolution, opening up a new stage of development in Vietnamese-Soviet relations.

Over the past 40 years, the Soviet Union has rendered vigorous support and great and effective assistance. The Vietnamese-Soviet friendship, which is based on the common ideal of socialism and has bound the peoples of the two countries together, has been constantly consolidated and developed. That is one of the decisive factors in the Vietnamese people's victory in their national defense and construction. On behalf of Vietnamese communists and people, we would like to express our heartfelt gratitude to the Communist Party, government, and people for their previous support and assistance.

The line of renovation adopted by the Sixth CPV Congress and the line of restructuring set by the 27th CPSU Congress have opened up a new stage of qualitative development of the revolutionary causes of our two countries and of Vietnamese-Soviet relations. Having inherited and promoted the fine tradition of close and lasting fraternal friendship, the two parties and states are resolutely carrying out renovation and raising the efficiency of Vietnamese-Soviet cooperation so as to practically serve socialist construction in each country and to make positive contributions to the cause of peace, friendship, and cooperation in Southeast Asia, the Asia-Pacific Region, and the rest of the world.

The Communist Party, government, and people of Vietnam have consistently made untiring efforts to consolidate and further develop their friendly relations and multi-faceted cooperation with the Soviet Union. This is the principle line of the Vietnamese party and state and the sacred internationalist sentiment of each Vietnamese.

We wish the fraternal Soviet people success in implementing the line of restructuring, thereby making practical preparations for the 28th CPSU Congress.

Foreign Ministers Greet Diplomatic Anniversary

BK3101025290 Hanoi Domestic Service in Vietnamese 1430 GMT 30 Jan 90

[Text] On the occasion of the 40th anniversary of the establishment of diplomatic relations between the Socialist Republic of Vietnam and the Democratic People's Republic of Korea, on 31 January 1990, Comrade Nguyen Co Thach, our country's foreign minister, sent a message to Comrade Kim Yong-nam, foreign minister of the DPRK. The message says:

Over the past 40 years, the peoples of our two countries have always supported each other in building and defending their respective countries. The Vietnamese people treasure the relations of friendship and cooperation with the fraternal Korean people and will never cease their efforts to consolidate and develop these traditional relations.

We are happy to see that relations between Vietnam and Korea have developed a step further, and we believe that with the efforts of both sides, these relations will be consolidated and developed even more in the interests of the peoples of the two countries and for the sake of peace, national independence, democracy, and social progress.

May the fraternal Korean people score many more achievements in socialist construction and the struggle to reunify their country.

Also on this occasion, Comrade Kim Yong-nam, the DPRK foreign minister, sent a greetings message to Comrade Nguyen Co Thach, our country's foreign minister. The message says:

On the occasion of the 40th anniversary of the establishment of diplomatic relations between the DPRK and the SRV, I would like to convey to you and all the cadres in the Foreign Ministry, my warmest greetings.

Over the past 40 years since the establishment of diplomatic relations, the peoples of our two countries have together gone through the struggle against imperialist

aggression and intervention for the sake of independence, sovereignty, and socialism. In the course of struggle, friendship and solidarity have been firmly consolidated.

On this occasion, I am convinced that the relations of cooperation and friendship between our two countries will be strengthened and developed even further in the common struggle to achieve the socialist cause, and I sincerely hope that you, Comrade, and all cadres in the Foreign Ministry, will score even more and greater achievements in your work in order to thoroughly implement the sixth party congress resolution.

Party Journal Editorial Discusses Renovation

BK3001135190 Hanoi Domestic Service in Vietnamese 1000 GMT 29 Jan 90

[Summary] On the occasion of the 60th anniversary of the founding of the Communist Party of Vietnam, 3 February, TAP CHI CONG SAN carries an editorial entitled: "Develop the Party's Fine Traditons in the Cause of Renovating the Country," saying that "party leadership is an extremely important factor for the growth of our country's revolution" and pointing out weaknesses and failures of the party in its socioeconomic leadership. For instance, "party leadership has failed to meet requirements arising from the renovation undertaking and from the people's demands and aspirations; "the working class nature of the party and its vanguard character have declined seriously;" and "many fine traditions of the party have been left to sink into oblivion and have suffered serious damage." The journal then offers the following "basic requirements with regard to the party's duties toward the current cause of renovating the country":

—First, promptly consolidate and renovate the party and improve the leadership quality of the party and its militancy, especially in the fields of socioeconomic construction and social management, and clearly realize that "the party is a leading organ and not a state management organ;"

—Second, work out a political line that properly manifests objective laws, meets revolutionary requirements, and reflects the people's will and aspirations;

—Third, build a contingent of united and harmonious party cadres and members capable of directing the masses to successfully implement party lines and "resolutely remove unqualified members from the party;"

—Fourth, consolidate and improve the militancy of party organizations at the grassroots level;

—Fifth, strengthen relations with the masses; and

—Sixth, broaden democracy within the party, exercise the principle of democratic centralization, step up criticism and self-criticism, and eliminate the ills of bureacracy, red tape, ostentation, formalism, and irresponsibility.

Next is an article entitled: "Main Objectives of the 1990 Socioeconomic Plan," reviewing the four years of implementing the resolution of the Sixth CPV Congress and pointing out the main socioeconomic objectives for 1990, which consist of: continuing to stabilize the socioeconomic situation; stepping up production and circulation and practicing thrift; broadening foreign economic relations; doing away with the state of squandering away foreign currencies; improving the people's lives; solving various social problems in a more satisfactory fashion with emphasis on finding employment for workers and broadening democracy in the economy and in other fields of social activities; and "continuing to build a steadfast all-people national defense and a strong People's Army capable of firmly defending the socialist Vietnamese fatherland and building a steadfast people's public security force to guarantee even better political security and public order and safety."

This article is followed by an article by Nguyen Huu Tho, chairman of the Vietnam Fatherland Front Central Committee, entitled: "The Vietnam Fatherland Front in the New Situation," saying that "as renovation has started to show its effect, the role of the front is now much greater. The front must serve as a hub for the gathering of all forces aimed at ensuring the process of socialist construction in the initial stage."

Also found in this issue is an article by Tran Bach Dang: "The Concern Shown by President Ho Chi Minh When the Proletarian Party Became a Ruling Party," analyzing Uncle Ho's teachings about the danger of a ruling party facing its own bad practices.

In this issue, the journal introduces an article by Nguyen Ai Quoc [Ho Chi Minh's alias] dealing with problems relating to Marxist-Leninist propaganda.

In the "Socialism—Restrospect and Renewal" column, the journal carries an article by Hoang Chi Bao, candidate doctor of philosophy of the Marxist-Leninist Institute: "The Historic Inevitability and Outstanding Nature of Socialism," analyzing complex socioeconomic developments in almost all socialist countries as a result of their ongoing quest for reform, renovation, and restructuring, pointing out conflicting views, mistakes, and misjudgements on socialism in the past, and asserting that "the renovative line charted by our party is an important step toward realizing scientific socialism and implementing more effectively all objectives of socialism."

An article by Ha Xuan Truong, editor-in-chief of TAP CHI CONG SAN, entitled "Public Ownership and Individual Ownership: The Interests and the Right to Mastery of the Working People," discusses relations between the right of ownership, the potentiality of an owner, and the environment of a commodity-based economy.

In the "Research and Exchange" column, there is an article by Comrade Tran Xuan Bach: "Some Reflections on the Renovative Path." Also found in the column is an article by Tran Duc, a high-level economic expert: "Is It Necessary To Dissolve Cooperatives?"

In the "Opinions and Experience" column, there is an article by Le Nhu Bach, a high-level economic expert: "Restore Order, Gradually Stabilize, and Then Advance Toward Balancing the State Budget," pointing out a series of measures to be taken by the fiancial, planning, and banking sectors to achieve a balanced state budget.

Next is an article by Vu Ngoc Binh entitled "The Problem of Eradicating Illiteracy in Vietnam," complaining about the continued existence of illiteracy in many areas throughout Vietnam.

In the "The World: Problems and Events" column, there is an article by Kieu Nguyen, reviewing the world situation in the past year and pointing out the need to "effect a radical change by evaluating the situation and finding a foreign relations strategy to suit new world developments."

This is followed by an article by Vu Hien: "New Challenges Face Socialism," discussing the complex situation now taking place in various socialist countries.

In the "Through Foreign Publications" column is an article entitled "Let Us Talk About Democracy," carrying some press articles by the vice chairman of the Cuban Journalists Association on the subject and an article by (Nagao), a Japanese military commentator, entitled "The United States' General Strategy and Japan's Role."

Seminar on Socialist Renovation Held in Hanoi

BK3101083190 Hanoi VNA in English 0717 GMT 31 Jan 90

[Text] Hanoi VNA Jan 31—A seminar under the theme "the party in renovation for socialism" opened here on Jan 30 under the joint sponsorship of the Nguyen Ai Quoc Institute and the Hanoi Committee of the Communist Party of Vietnam on the occasion of the 60th founding anniversary of the party (Feb 3).

Besides a large number of researchers and professors, the seminar was attended by delegations from the Academy of Social Sciences and the Moscow Higher Party School under the Communist Party of the Soviet Union Central Committee, the Higher Party School of the Lao People's Revolutionary Party and the Commission for Propaganda and Education of the People's Revolutionary Party of Kampuchea Central Committee, and representatives of the Soviet, Lao and Cambodian embassies in Hanoi.

Nguyen Duc Tam and Dao Duy Tung, politburo members and secretaries of the Central Committee and Pham The Duyet, secretary of the Central and Hanoi Party Committees, spoke at the seminar.

Director of the Nguyen Ai Quoc Institute Nguyen Duc Binh spoke of the important results and valuable experiences obtained by the Communist Party of Vietnam in the process of renovation over the past three years.

R.G.Yanovski, director of the Soviet Institute of Social Sciences head of the Soviet delegation; Sileua Bounkham, director of the Higher Party School of Laos; and Pav Hamphan, vice-president of the Commission for Propaganda and Education of the Cambodian Party Central Committee, also addressed the conference. The seminar continues its work today. Eighty-seven reports and papers have been received by the organizing committee.

Foreign Investment Since Investment Law Viewed

BK3001090190 Hanoi Domestic Service in Vietnamese 1430 GMT 28 Jan 90

[Report by station correspondent Minh Duc: "The Door of Our House Is Wide Open To Welcome Guests"—portions recorded]

[Summary] The door of our house was formerly closed. It was then half-opened, but still not many guests came. This time, the door is definitely wide open, and many guests have rushed in. Some of them have immediately started their projects while others are still probing our sincerity.

"Since our state announced its investment law three years ago, there have been 100 projects or more involving capital totalling U.S. $750 million and required capital of about U.S. $450 million. Our guests concentrated their investments in four main areas of oil prospecting on the continental shelves; catching, raising, and processing maritime products; processing light industry, agricultural, and food products; and other service businesses, including the restoration and construction of hotels and the building of a tourist village. Representatives of major companies from France, Britain, Belgium, Holland, India, and others are now in Vietnam. Overseas Vietnamese have also returned to make their contributions."

I have had a chance to meet representatives of some major foreign companies, and all have been enthusiastic and confident. The owner of a Japanese business said: "Previously, you half-opened your door. Large animals like buffalo, oxen, and elephants could not get in, but small insects sneaked in and destroyed many of your precious plants." This statement, while it criticizes our previous narrow-minded method, praises our present liberal policy. However, not everything can go smoothly. Some projects have been implemented, but only time will tell if these projects will bear fruit. Guests from Hong Kong have invested in clothing, leather tanning, and food and feather factories.

I have met Mr Roberto Incognacio, deputy general director of the joint service enterprise of the International Club, and asked him about his views on Vietnam's investment law.

[Begin Incognacio recording in English fading into Vietnamese translation] "As deputy general director of the joint enterprise, I see that although you have the investment law,

there still are some difficulties in the paperwork and shipment of equipment and outfits from Hong Kong to Haiphong port. I hope that in the future these procedures will be simplified and organized more effectively to encourage more investors in Vietnam." [end recording]

To conclude this meeting on the occasion of the Lunar New Year, I asked Mr Roberto Incognacio if he had any suggestions.

[Begin Incognacio recording in English fading into Vietnamese translation] "On behalf of our chairman, Mr Francis of the VINAGRO [expansion unknown] of Hong Kong, I would like to express our warmest thanks and sincere gratitude to the service department of the SRV Ministry of Foreign Affairs for giving us this opportunity to serve the diplomatic corps and its people. We are completing our project, and on behalf of the general director I am proud to announce that the International Club will open on 7 February 1990. On behalf of the general director and the joint enterprise as a whole, I wish the Vietnamese people a new year full of happiness and good luck. Before I say good-bye to my comrades in the joint enterprise, let me say that Comrade Cao Duc Minh, deputy chief of the service department of Ministry of Foreign Affairs, told me the good news that a customer has come to rent the International Club to hold a seminar on Vietnamese and French technology in March. I think that this is the first fruit of the early harvest. If all foreign investors' projects in the country bear such beautiful fruits continuously during all seasons, then all four seasons in the country will be spring; will it not, my friends?" [end recording]

New Zealand

Palmer Names Cabinet, Shows 'Swing to Right'

BK3101091690 Hong Kong AFP in English 0853 GMT 31 Jan 90

[Text] Wellington, Jan 31 (AFP)—Prime Minister Geoffrey Palmer's new cabinet named Wednesday [31 January] reflected a marked swing to the right amid a continuing power struggle inside New Zealand's ruling Labour Party.

The party caucus voted for the members of the new cabinet last week after Mr Palmer insisted that ministers who had announced their intention not to stand at the next elections, due by October this year, quit their posts.

Wednesday's distribution of portfolios included the suprising reallocation of the crucial State Owned Enterprises Ministry to a former minister, Richard Prebble, bringing him back in from the cold.

The job controls all the government owned trading enterprises and in the last four years has been closely involved in a controversial privatisation process.

Mr Prebble, a close ally and friend of former Finance Minister Roger Douglas, the creator of New Zealand's radical economic reform process, quit the same ministry in 1988 after bitter and protracted infighting.

At one point Mr Prebble launched high court action against his own party in a bid to reduce the power of trade unions within the labour movement.

At a press conference Mr Palmer said his new cabinet had "considerable flair, a great deal of talent, and plenty of energy."

He defended Mr Prebble's selection, saying he had total confidence in him.

Former Prime Minister David Lange remains attorney general, a post outside cabinet.

Main portfolio allocations in rank order in the New Zealand cabinet announced Wednesday:

Prime Minister, Environment, Security Intelligence Service:	Geoffrey Palmer
Deputy Prime Minister, Health and Labour:	Helen Clark
External Relations and Trade, Foreign Affairs:	Mike Moore
Finance:	David Caygill
State Owned Enterprises, Police, Railways, Pacific Island Affairs:	Richard Prebble
Maori Affairs:	Koro Wetere
Social Welfare:	Michael Cullen
Education:	Phil Goff
Housing, Communications, Broadcasting:	Jonathan Hunt
Justice, Transport:	Bill Jeffries
Consumer Affairs:	Margaret Shields
Defence, Lands, Recreation and Sport:	Peter Tapsell
Commerce, Energy:	David Butcher
Employment, Youth Affairs, Immigration:	Annette King
Disarmament and Arms Control, Tourism:	Fran Wilde
Conservation:	Phillip Woollaston
Customs, Works and Development:	Peter Neilson
Agriculture, Forestry:	Jim Sutton
Science:	Clive Matthewson
Internal Affairs, Arts and Culture, Civil Defence, Research, Science and Technology:	Margaret Austin

Papua New Guinea

Three Policemen Said Shot by Separatist Gunmen

BK2701060690 Hong Kong AFP in English 0604 GMT 27 Jan 90

[Text] Canberra, Jan 27 (AFP)—Separatist gunmen shot and seriously wounded three Papua New Guinea policemen in one of two ambushes on Bougainville Island Saturday [27 January], an Australian foreign affairs spokesman said here. He said the policemen were ambushed on the road from the Bougainville copper mine at Panguna to the island's capital, Arawa, Saturday morning.

A Bougainville Copper, Ltd. (BCL) car was also ambushed on the same road Saturday morning, but no one was injured, he said. No Australians were involved in the ambushes.

The spokesman said an estimated 700 Australians still on the island were continuing to leave in groups on commercial flights. The Foreign Ministry said earlier that a military evacuation would occur only "if secure and adequate civil means, either scheduled services or charter, are not available."

Last Wednesday, the Australian Department of Foreign Affairs warned that Australians should leave Bougainville unless they had "essential business" there. The warning was a response to the fatal shooting by rebels of British-born former Sydney resident Michael Wortley and two earlier attacks on Australians on the island.

About 60 Australians flew out of Bougainville on Friday but the foreign affairs spokesman said the department hoped more would leave this weekend. He said he had no figures on the number of Australians who left Bougainville Saturday.

On Friday BCL said it was evacuating workers from the Panguna mine. The mine, a major revenue earner for the government, has been closed since May 15 as a result of rebel attacks which began in November 1988.

Nearly 70 people have died so far in the conflict.